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Local Plan Viability Assessment (Stage One)

Prepared on behalf of:

Lancaster City Council

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**LANCASTER
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Promoting City, Coast & Countryside

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1. Introduction

Background to Commission

- 1.1 Lambert Smith Hampton ('LSH') was appointed by Lancaster City Council ('the Council') in September 2017 to advise on and prepare a Local Plan Viability Assessment ('LPVA') covering a representative range of housing, commercial and employment development sites. This LPVA will form part of the evidence base for emerging Local Plan for Lancaster District.
- 1.2 The Council adopted its Core Strategy in July 2008. The Development Management DPD and Morecambe Area Action Plan were both adopted by the Council in 2014.
- 1.3 The Strategic Policies & Land Allocations DPD is currently in preparation and was subject to public consultation on an informal draft (Regulation 18) in early 2017. The Arnside and Silverdale AONB DPD, which is being jointly prepared with South Lakeland District Council, is outside of the scope of this LPVA.
- 1.4 This LPVA will form part of the evidence base to support the preparation of the emerging Local Plan (Strategic Policies & Land Allocations DPD and updated version of Development Management DPD) and inform decisions over land allocations for the future housing and employment needs of the District.
- 1.5 This LPVA is envisaged to constitute 'stage one' of a two stage process, with the emphasis herein being on a generic, formula based approach to assess the viability of an appropriate spectrum of representative types of sites within the District in accordance with best practice. The primary objectives of this exercise are to provide an information base to enable Council Officers to make broad brush assumptions on whether genres of sites are likely to be deliverable and to support the progression of the Local Plan towards the examination process.
- 1.6 This LPVA will progress into a future 'stage two' which will involve a more detailed analysis of proposed strategic sites for development in the context of testing achievability and viability. This further work will also need to consider likely s106 contributions, a possible Community Infrastructure Levy ('CIL') and test the extent of affordable housing which can be viably delivered within residential schemes.
- 1.7 The information, commentary, findings and advice contained in this LPVA are considered appropriate for a 'high-level' plan-wide evidence-based study and should not be considered to set any kind of precedent for future use by applicants in relation to site-specific planning applications. Values, costs, assumptions and issues relating to specific sites must be considered on their own merits at the date of each planning application. The conclusions

and recommendations contained in this report are concerned with policy requirement, guidance and regulations which may be subject to change.

Lancaster District – Overview

- 1.8 Lancaster is the most northerly district in Lancashire and second largest in geographic terms, covering an area of approximately 576 square kilometres. It contains the coastal towns of Morecambe and Heysham, the historic City of Lancaster, the railway town of Carnforth and an extensive rural area including two Areas of Outstanding Natural Beauty (AONB) – the Arnsdale and Silverdale AONB and the Forest of Bowland AONB – and (since August 2016) a small portion of the Yorkshire Dales National Park.

Fig 1: Lancaster District



- 1.9 The City of Lancaster, strategically located on the banks of the River Lune, is the key settlement of the District. The City has long existed as an important commercial, cultural and educational centre with key growth founded on its historic castle, canal and former status as one of the busiest ports in the UK.
- 1.10 The District is well connected in terms of transport infrastructure with the M6 dissecting the District and running north to Cumbria / Scotland and south to Central Lancashire and motorways links to Manchester / Liverpool. The A65 links the eastern part of the District to North and West Yorkshire. Lancaster railway station provides access to the west coast main line, with London Euston and Glasgow Central both being directly accessible by rail within three hours.
- 1.11 The District benefits from a diverse economy with energy production, the Port of Heysham, education, tourism, manufacturing, health and agriculture all making key contributions.
- 1.12 The District has a long history of energy production and continues to play an important national role in terms of energy supply. The Heysham 1 and 2 nuclear power stations represent one of the largest concentrations of power generation in the UK and provide in excess of 1,000 full time jobs. Heysham 1 is capable of supplying 1.5 million homes and is expected to be in production until 2024. Heysham 2 has a slightly larger output capacity and an anticipated decommissioning date of 2030. Over the longer term, there may be potential for a new build replacement nuclear power facility at the Heysham site. In addition to this, one of the world's largest wind farms – Dong Energy's 90 MW Barrow Offshore Wind Farm – is located in the Irish Sea at the western edge of Morecambe Bay, with electricity generated delivered to the National Grid at a substation in Heysham. Furthermore Morecambe Bay is an established Gas Field, the second largest in the UK, and currently provides around 10% of the UK's gas supply.
- 1.13 Port of Heysham provides round-the-clock access for Irish Sea ferries, to the Isle of Man, Northern Ireland and Dublin and a diverse range of general cargo services. The opening of the Heysham to M6 'Bay Gateway' Link Road and associated potential expansion of the Port represents an important opportunity to increase freight through-put and enhance the role and function of this key economic asset.
- 1.14 Lancaster is established as a centre for academic excellence through the presence of two leading Universities – the University of Lancaster and University of Cumbria. The University of Lancaster is progressing ambitious plans for growth and investment through the Lancaster University Health Innovation Campus initiative, focused on working collaboratively with businesses and the health sector to drive advances in technologies, products and ways of working to improve health and healthcare.

- 1.15 Another major local employer is the Royal Lancaster Infirmary. The numerous manufacturing and distribution businesses on the extensive White Lund Industrial Estate also form a key facet of the local economy.
- 1.16 The agricultural sector remains a contributor to the local economy, maintaining the countryside and landscapes valued and enjoyed by residents and visitors alike. This sector is strongly supported at the present time by EU subsidies. The outcome of 'Brexit' negotiations and the detail of any replacement funding subsidy regime from the UK government will have a significant effect on the future of agriculture within the District and beyond.
- 1.17 Lancaster District is also characterised by its range of beautiful and distinctive landscapes which require protection, featuring portions of two AONBs and a National Park. Much of Lancaster's built heritage is of significant historic interest, with 37 Conservation Areas, over 1,300 listed buildings and structures and a number of Scheduled Ancient Monuments. The architecture and townscape of Lancaster City Centre, funded predominantly during Georgian and Victorian prosperity, are considered to be of national significance and provide a major opportunity for inward investment through heritage led regeneration orientated around tourism and the consolidation of independent, niche retailing and service industries set within an attractive historic environment.

Lambert Smith Hampton

- 1.18 LSH is a fully integrated commercial property services consultancy with more than 30 offices across the UK and Ireland. LSH works with investors, developers and occupiers from across the public and private sector, managing some of the country's most complex commercial property portfolios. LSH's planning and development consultancy team has considerable experience in developing evidence base documents for local planning authorities ('LPAs') and the planning process. LSH is also currently retained by five LPAs across Cumbria, North Lancashire and North Yorkshire to provide site-specific viability consultancy support.

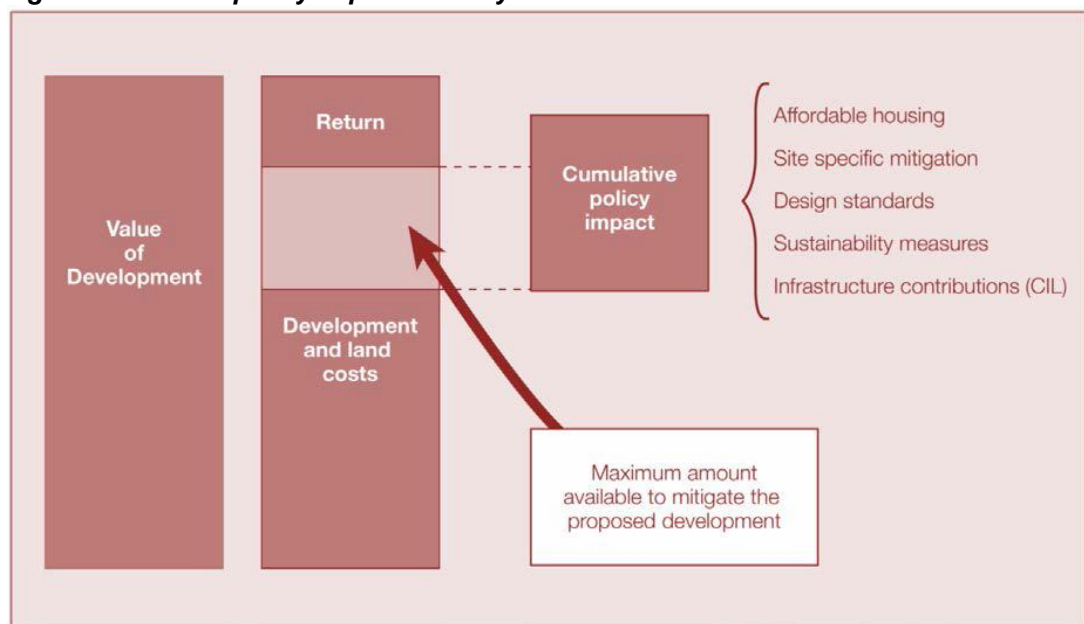
2. National Planning Policy Context

- 2.1 Viability testing in order to objectively assess deliverability has become a key part of the plan-making process. This LPVA has been prepared in this context and takes full account of all relevant primary legislation, statutory regulations, mandatory planning guidance and policy, best practice and potential public policy changes.

National Planning Policy Framework – Viability testing for deliverability

- 2.2 The *National Planning Policy Framework* ('NPPF')¹, published in March 2012, introduced a requirement to assess the viability of the Local Plan. The NPPF states that plans should be deliverable and that the sites and scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened, as illustrated by the diagram below:

Fig 2: Cumulative policy impact viability threshold



- 2.3 The two NPPF paragraphs specifically relating to viability are set out below (with our emphasis):

(Para 173) Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of

¹ 'National Planning Policy Framework' – Department for Communities and Local Government ('DCLG') (ISBN 9781409834137), March 2012:
<https://www.gov.uk/guidance/national-planning-policy-framework>

obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.

(Para 174) Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative impacts on development in their area of all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. In order to be appropriate, the cumulative impact of these standards and policies should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle. Evidence supporting the assessment should be proportionate, using only appropriate available evidence.

- 2.4 The NPPF (para 158) requires that Local Plans are ‘based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area’. It is imperative that ‘the assessment of and strategies for housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals.’ It is envisaged that this LPVA will form a key part of the Council’s emerging suite of evidence in this regard.
- 2.5 Paragraph 173 of the NPPF is typically utilised by planning applicants at the planning application stage in order to make specific evidence-based submissions to demonstrate why a specific site cannot viably provide policy compliant headline planning contributions (for example, on-site affordable housing, s106 or s278 commuted sum payments). In the context of a truly ‘*deliverable*’ Local Plan, sites where such evidence-based submissions are accepted by the LPA as justified should very much be in the minority. Conversely there may be a small number of allocated sites within an adopted Local Plan which can theoretically viably provide planning obligations above those required by policy.
- 2.6 Viability testing for deliverability in the context of a Local Plan does not necessarily envisage every emerging allocated site to be capable of delivering all of the LPAs requirements. Indeed some sites will be unviable, for example brownfield sites with a high level of site-specific abnormal costs, even with no planning policies imposed upon them. The NPPF envisages that a significant majority of sites put forward for allocation within a Local Plan should be able to viably bear the cumulative impact of policies put forward by the LPA. The ultimate objective in the Local Plan process is to assemble and present the

necessary evidence base to an Inspector in order to facilitate the firm conclusion that a Development Plan is deliverable.

NPPF – Deliverable housing supply

- 2.7 Another key NPPF ¹ requirement of relevance to this LPVA relates to the duty of LPAs to ‘*boost significantly the supply of housing*’ by using:

(Para 47) ...their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period.

- 2.8 The same paragraph (47) also requires that LPAs ‘*identify and update annually a supply of specific deliverable sites sufficient to provide five years’ worth of housing against their housing requirements with an additional buffer...to ensure choice and competition in the market for land*’.

- 2.9 Paragraph 159 of the NPPF specifically states that in order to ‘*have a clear understanding of housing needs in their area*’ each LPA should prepare a Strategic Housing Market Assessment (‘SHMA’) to ‘*identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period*’ and a Strategic Housing Land Availability Assessment (‘SHLAA’) ‘*to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period.*’

- 2.10 Paragraph 50 calls for LPAs ‘*to deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities.*’

- 2.11 Paragraph 50 also sets out the parameters for the collection of off-site commuted sums in lieu of on-site affordable housing where appropriate:

(Para 50) ...where (LPAs) have identified that affordable housing is needed, set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.

- 2.12 Footnote 1 to paragraph 47 provides further guidance on the circumstances required for a site to be considered ‘*deliverable*’. Such sites must be ‘*available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will*

be delivered on the site within five years and in particular that development of the site is viable.’ Furthermore sites with planning consent will ‘be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.’

- 2.13 Footnote 2 to paragraph 47¹ details the circumstances required for a site to be considered ‘developable’. Such sites ‘*should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.*’
- 2.14 The government published a revised draft NPPF in March 2018, incorporating policy proposals previously consulted on, with an emphasis on planning for the right homes in the right places and turning existing and future planning permissions more quickly into homes through reforms such as the Housing Delivery Test.
- 2.15 The revised draft NPPF is subject to an eight week consultation period ending on 10 May 2018. We have reviewed the draft NPPF and can confirm that there is nothing therein which will significantly change the content and conclusions reached within this LPVA.
- 2.16 We advise that the replacement version of the NPPF is reviewed again, following expected publication later in 2018, in the context of this LPVA.

National Planning Practice Guidance – Overview

- 2.17 The Government published the *National Planning Practice Guidance* (‘NPPG’)² in March 2014 as a live web-based resource which is subject to regular updating. The NPPG replaced over 7,000 pages of planning guidance that was previously published in separate documents. The NPPG adds further context to the NPPF and it is intended that the two should be read together. The NPPF and NPPG cumulatively set out what the Government expects of LPAs, the overall aim being to ensure that the planning system allows land to deliver new homes and employment whilst protecting valuable natural and historic environments.
- 2.18 The NPPG currently contains guidance on 50 separate topic areas. We will comment specifically on guidance provided on five topic areas of particular relevance to this LPVA:

² ‘*Planning Practice Guidance*’ – DCLG, March 2014 (re-published November 2016, most recent update July 2017):
<https://www.gov.uk/government/collections/planning-practice-guidance#planning-practice-guidance-categories>

- Viability
- Housing and economic land availability assessment
- Local Plans
- Planning obligations (including guidance on 'pooling' and the '10 unit threshold')
- Starter Homes

2.19 The government published a revised draft NPPG in March 2018, alongside the revised draft NPPF. We have reviewed the draft NPPG document and can confirm that there is nothing therein which will significantly change the content of and conclusions reached within this LPVA.

2.20 We advise that the NPPG is reviewed again, following expected publication later in 2018, in the context of this LPVA.

NPPG – Viability

2.21 Guidance on 'viability' ² begins within a reminder of the expectations of the NPPF in relation to '*viability in planning*' in the context of both plan-making and decision taking:

(Para 001 Reference ID: 10-001-20140306) The (NPPF) says that plans should be deliverable and that the sites and scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened.

Understanding Local Plan viability is critical to the overall assessment of deliverability. Local Plans should present visions for an area in the context of an understanding of local economic conditions and market realities. This should not undermine ambition for high quality design and wider social and environmental benefit but such ambition should be tested against the realistic likelihood of delivery

The (NPPF) policy on viability applies also to decision-taking. Decision-taking on individual schemes does not normally require an assessment of viability. However viability can be important where planning obligations or other costs are being introduced. In these cases decisions must be underpinned by an understanding of viability, ensuring realistic decisions are made to support development and promote economic growth. Where the viability of a development is in question, local planning authorities should look to be flexible in applying policy requirements wherever possible.

- 2.22 A summary of other paragraphs within the ‘viability’ topic area of relevance to ‘*viability in plan-making*’ is set out in the table below (with our own emphasis):

Fig 3: Summary of NPPG relating to ‘viability in plan-making’

Paragraph heading	Guidance contained within
Para 004: The underlying principles for understanding viability in planning (Reference ID: 10-004-20140306)	<p><u>Evidence based judgement</u> informed by relevant available facts. Requires realistic understanding of costs, value of development and understanding of market.</p> <p><u>Understanding past performance</u>, e.g. build rates and scale of historic planning obligations. Direct engagement with development sector recommended.</p> <p><u>Collaboration</u> between LPA, business community, developers, landowners and other interested parties recommended in order to improve understanding of deliverability and viability. Transparency of evidence encouraged wherever possible.</p> <p><u>Consistent approach to viability</u> across all aspects of LPA evidence base (e.g. for housing, economic and retail policy). Where possible infrastructure and development policies should be prepared in parallel, ideally in conjunction with a masterplan approach.</p>
Para 005: How should viability be assessed in plan-making? (Reference ID: 10-005-20140306)	<p>Local Plans should be based on clear and deliverable vision of the area. Viability assessment a tool that can assist with <u>development of plans and plan policies</u>, should not compromise quality of development but ensure Local Plan vision and policies realistic and provide high level assurance that plan policies viable.</p> <p><u>Development of policies should be tested</u> and kept under review <u>in context of</u> evidence of likely ability of <u>market to deliver</u>.</p> <p><u>Evidence should be proportionate</u> to ensure plans underpinned by broad understanding of viability. <u>Greater detail necessary in areas or for sites of known marginal viability</u>.</p>
Para 006: Should every site be tested? (Reference ID: 10-006-20140306)	<p>Not necessary. Site typologies used to determine viability at policy level. <u>Assessment of samples of sites helpful</u> to support evidence. <u>More detailed assessment may be necessary for key sites</u> on which delivery of plan particularly relies.</p>
Para 007: How should costs be considered in plan-making? (Reference ID: 10-007-20140306)	<p><u>Consider range of costs on development</u>, e.g. costs imposed through national and local standards and policies as well as a realistic understanding of likely cost of section 106 planning obligations and section 278 agreements for highways works. <u>Cumulative cost should not cause development types or strategic sites to be unviable</u>.</p>
Para 008: How should changes in values and costs be treated in plan-making? (Reference ID: 10-008-20140306)	<p>Should <u>allow for a viability buffer to respond to changing markets</u> and avoid need for frequent plan updating. <u>Current costs and values used</u> when assessing viability of policy. Policies should be deliverable and not based on expectation of future rises in values. Where any relevant future change to regulation or policy is known, likely impact on current costs should be considered.</p>

Paragraph heading	Guidance contained within
Para 009: How should different development types be reflected in viability assessments for plan-making? (Reference ID: 10-009-20140306)	<u>Viability assessments should be proportionate, but reflect range of different development likely to come forward in an area</u> and needed to deliver vision of the plan. Different types of residential development, such as self-build and private rented sector housing, are funded and delivered in different ways – should be reflected in viability assessments.
Para 010: How should the viability of planning obligations be considered in plan-making? (Reference ID: 10-010-20140306)	<u>Requirements for obligations should be sufficiently flexible</u> to prevent planned development being stalled.
Para 012: The key factors to be taken into account in assessing viability in plan-making: <u>Gross Development Value</u> ('GDV') (Reference ID: 10-012-20140306)	<p>For the purposes of plan-making, GDV is <u>the assessment of potential value generated by development</u> in the area.</p> <ul style="list-style-type: none"> • Housing schemes = total sales and/or capitalised rental income from developments (including grant and other external sources of funding). • Retail and commercial development = broad assessment of value in line with industry practice. <p>Values based on comparable, market information. Average figures may need to be used, based on types of development plan seeking to bring forward. Where possible, specific evidence from existing developments should be used after adjustment to take into account types of land use, form of property, scale, location, rents and yields. For housing, historic information about delivery rates can be informative.</p>
Para 013: The key factors to be taken into account in assessing viability in plan-making: <u>Costs</u> (Reference ID: 10-013-20140306)	<p>For the purposes of plan-making, a <u>broad assessment of costs required</u>. Should be based on robust evidence reflecting local market conditions. All development costs should be taken into account, including:</p> <ul style="list-style-type: none"> • build costs (based on appropriate data, e.g. Building Cost Information Service, 'BCIS') • known abnormal costs • infrastructure costs • potential cumulative costs of emerging policy requirements and standards • finance costs • professional, project management, sales and legal costs
Para 014: The key factors to be taken into account in assessing viability in plan-making: <u>Land value</u> (Reference ID: 10-014-20140306)	<p>Assessment of land or site value central to consideration of viability. In all cases, <u>estimated land or site value should reflect common principles</u>:</p> <ul style="list-style-type: none"> • reflect emerging policy requirements and planning obligations; • provide competitive return to willing developers and land owners (including equity resulting from those building their own homes); and • be informed by comparable, market-based evidence wherever possible. Disregard transacted bids significantly above market norm

Paragraph heading	Guidance contained within
Para 015: The key factors to be taken into account in assessing viability in plan-making: Competitive return to developers and land owners (Reference ID: 10-015-20140306)	NPPF states viability should consider “competitive returns to a willing landowner and willing developer to enable development to be deliverable.” Return will vary significantly between projects to reflect size and risk profile of project. Rigid approach to assumed profit levels should be avoided. Comparable schemes or data sources reflected wherever possible. A competitive return for land owner is price at which reasonable land owner would be willing to sell their land for development. Price will need to provide incentive for land owner to sell in comparison to value of other options available, including current use and/or alternative uses (which comply with planning policy).
Para 025: How should viability be considered for brownfield sites in plan-making? (Reference ID: 10-025-20140306)	Policies should reflect desirability of re-using brownfield land, and fact often more expensive to develop. Where cost of land a major barrier, landowners should be engaged in considering options to secure successful development. Need to consider implications of planning obligations on viability of brownfield sites across an area. Provided sites capable of delivering competitive return LPAs should select sites that meet the range of their policy objectives, in context of risks to delivery of plan. To incentivise re-use of brownfield sites, LPAs should work with interested parties (e.g. Local Enterprise Partnership) and look at different funding mechanisms available to contribute to costs when considering which sites to allocate. Assumptions about land values should reflect levels of mitigation and investment required to bring sites back into use. The impact of land remediation relief could also be considered.

- 2.23 This LPVA will progress into a future ‘stage two’ which will involve a more detailed analysis of proposed strategic sites for development in the context of testing achievability and viability. This approach is advocated by the revised draft NPPG, which states (at page 5): *It is important to consider the specific circumstances of strategic sites. Plan makers can undertake individual site specific viability assessment for sites that are critical to delivering the strategic priorities of the plan, which could include, for example, large sites, sites that provide a significant proportion of planned supply, sites that enable or unlock other development sites or sites within priority regeneration areas.*

NPPG – Housing and economic land availability assessment

- 2.24 This topic section of the NPPG ² contains one paragraph of particular relevance to this LPVA:
- (Para 021 Reference ID: 3-021-20140306) A site is considered achievable for development where there is a reasonable prospect that the particular type of development will be developed on the site at a particular point in time. This is essentially a judgement about the*

economic viability of a site and the capacity of the developer to complete and let or sell the development over a certain period.

NPPG – Local Plans

2.25 This section of the NPPG ² sets out the purpose of the Local Plan within the planning system and highlights key issues for plan preparation (such as the necessary level of detail, content, duty to cooperate, frequency of review and evidence base), examination and adoption.

2.26 Three paragraphs within this section make specific reference to viability in the context of plan delivery and/or the necessary evidence-base. These are set out below (with our emphasis):

(Para 010 Reference ID: 12-010-20140306). While the content of Local Plans will vary depending on the nature of the area and issues to be addressed, all Local Plans should be as focused, concise and accessible as possible. They should concentrate on the critical issues facing the area – including its development needs – and the strategy and opportunities for addressing them, paying careful attention to both deliverability and viability.

(Para 014 Reference ID: 12-014-20140306). Appropriate and proportionate evidence is essential for producing a sound Local Plan, and paragraph 158 onwards of the (NPPF) sets out the types of evidence that may be required...The evidence needs to inform what is in the plan and shape its development rather than being collected retrospectively. It should also be kept up-to-date...Local planning authorities should publish documents that form part of the evidence base as they are completed.

(Para 018 Reference ID: 12-018-20140306). A Local Plan is an opportunity for the local planning authority to set out a positive vision for the area, but the plan should also be realistic about what can be achieved and when (including in relation to infrastructure). This means paying careful attention to providing an adequate supply of land, identifying what infrastructure is required and how it can be funded and brought on stream at the appropriate time; and ensuring that the requirements of the plan as a whole will not prejudice the viability of development... The evidence which accompanies an emerging Local Plan should show how the policies in the plan have been tested for their impact on the viability of development...

NPPG – Planning obligations

2.27 Both Section 122 of the Community Infrastructure Levy Regulations 2010 ³ and Paragraph 204 of the NPPF ¹ stipulate that planning obligations must be:

- *necessary to make the development acceptable in planning terms;*
- *fairly and reasonably related in scale and kind to the development.*

2.28 The NPPG ² contains a specific topic section which provides further detailed guidance on the implementation of planning obligations. Paragraphs of particular relevance to viability and assumptions to be made within this LPVA are set out below (with our emphasis):

(Para 002 Reference ID: 23b-002-20140306). Developers may be asked to provide contributions for infrastructure in several ways. This may be by way of the Community Infrastructure Levy and planning obligations in the form of section 106 (Town and County Planning Act 1990) agreements and section 278 (Highways Act 1980) agreements. Developers will also have to comply with any conditions attached to their planning permission. Local authorities should ensure that the combined total impact of such requests does not threaten the viability of the sites and scale of development identified in the development plan.

(Para 004 Reference ID: 23b-004-20150306). Planning obligations must be fully justified and evidenced. Where affordable housing contributions are being sought, planning obligations should not prevent development from going forward.

(Para 007 Reference ID: 23b-007-20150306). Policy for seeking planning obligations should be grounded in an understanding of development viability through the plan making process...

2.29 This topic section of the NPPG also sets out the specific circumstances where contributions for affordable housing and tariff style planning obligations (section 106 planning obligations) can and cannot be sought from small scale development, following the Court of Appeal decision of 13 May 2016, which give legal effect to the policy set out in the written ministerial statement of 28 November 2014:

(Para 031 Reference ID: 23b-031-20161116). Contributions should not be sought from developments of 10-units or less, and which have a maximum combined gross floorspace directly related to the development; and, of no more than 1,000 square metres (gross internal area). In designated rural areas (as described under section 157(1) of the Housing Act 1985, which includes National Parks and Areas of Outstanding Natural Beauty) , LPAs may choose to apply a lower threshold of 5-units or less. No affordable housing or tariff-style contributions should then be sought from these developments. In addition, in a rural area where the lower 5-unit or less threshold is applied, affordable housing and tariff style contributions should be sought from developments of between 6 and 10-units in the form of cash payments which are commuted until after completion of units within the development.

- 2.30 Finally, also of relevance to planning obligations is the stipulation of the Community Infrastructure Levy Regulations 2010³ that planning obligations cannot be pooled from a more than five separate section 106 agreements to fund a single infrastructure project.

Starter Homes

- 2.31 A topic section of the NPPG on 'starter homes' was published in March 2015 following the written ministerial statement of Brandon Lewis (the then Minister of State, Department for Communities and Local Government)⁴. Earlier in the month. The written ministerial statement marked the end of a period of consultation by the Government on 'starter homes'. At that point in time it was envisaged that 'starter homes' would be built on under-used or unviable commercial or industrial sites not currently identified for housing, on both public and private land through a new national exception site planning policy. These homes would only be available for sale to young (below the age of 40 at the time of purchase) first time buyers at a minimum 20% discount below their open market value, with discounted prices being retained for a five year period.
- 2.32 Whilst the NPPG section on 'starter homes' has not been updated since March 2015 and remains 'live', it seems that the Government's policy position on 'starter homes' has moved on the intervening period.
- 2.33 The Annex to the Housing White Paper⁵ sets out in more detail the policy proposal to publish a revised definition of affordable housing as part of revisions to the NPPF. Specific details of the proposed new definition of affordable housing are reproduced below (from 'Box 4' of the Annexe to the Housing White Paper):
- Affordable housing:*** *housing that is provided for sale or rent to those whose needs are not met by the market (this can include housing that provides a subsidised route to home ownership), and which meets the criteria for one of the models set out below.*

³ The *Community Infrastructure Levy Regulations 2010* (made under regulation-making powers set out within the *Planning Act 2008*), April 2010:
<http://www.legislation.gov.uk/uksi/2010/948/part/11/made>

⁴ *Written Ministerial Statement of The Minister of State, Department for Communities and Local Government (Brandon Lewis), 2 March 2015:*
<https://publications.parliament.uk/pa/cm201415/cmhansrd/cm150302/wmstext/150302m0001.htm#1503022000006>

⁵ *Housing White Paper: 'Fixing our broken housing market', Department for Communities and Local Government, 7 February 2017:*
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

Social rented and affordable rented housing: eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the Government's rent policy. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Starter homes are housing as defined in Sections 2 and 3 of the Housing and Planning Act 2016 and any subsequent secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute at the time of plan-preparation or decision-taking. Local planning authorities should also include income restrictions which limit a person's eligibility to purchase a starter home to those who have maximum household incomes of £80,000 a year or less (or £90,000 a year or less in Greater London).

Discounted market sales housing is housing that is sold at a discount of at least 20 per cent below local market value. Eligibility is determined with regard to local incomes and local house prices. It should include provisions to remain at a discount for future eligible households.

Affordable private rent housing is housing that is made available for rent at a level which is at least 20 per cent below local market rent. Eligibility is determined with regard to local incomes and local house prices. Provision should be made to ensure that affordable private rent housing remains available for rent at a discount for future eligible households or for alternative affordable housing provision to be made if the discount is withdrawn. Affordable private rented housing is particularly suited to the provision of affordable housing as part of Build to Rent Schemes.

Intermediate housing is discount market sales and affordable private rent housing and other housing that meets the following criteria: housing that is provided for sale and rent at a cost above social rent, but below market levels. Eligibility is determined with regard to local incomes and local house prices. It should also include provisions to remain at an affordable price for future eligible households or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant

authority specified in the funding agreement. These can include Shared Ownership, equity loans, other low cost homes for sale and intermediate rent (including Rent to Buy housing).

- 2.34 For the purposes of this LPVA we have assumed that starter homes are included within the general affordable 'home ownership' tenure alongside existing typologies (e.g. shared ownership homes and discounted market sales products). In order to assess the viability effect of this potentially emerging change to the NPPF, this LPVA will consider the viability outcome if housing sites within the District of more than ten units were required to *'deliver a minimum of 10% affordable home ownership units.'*

3. Local Planning Policy Context

Historical Local Plan

- 3.1 The Lancaster District Local Plan was adopted on 16 April 2004. The policies of the Local Plan will be replaced as new policies that form the successor Local Development Framework are adopted. The Council's Core Strategy was adopted in July 2008, replacing many of the policies in the Local Plan. Following this a 'strike through' edition of the Local Plan was published in September 2008, showing the policies that have been fully or partially replaced by the Core Strategy.

Updated Local Plan

- 3.2 Work is underway on an updated local plan. This updated local plan will guide development in the District for the period to 2031.
- 3.3 Good progress has been made in assembling and updating the evidence base to support the preparation of the local plan. The collation of evidence will be an ongoing process to ensure that the Council's understanding of key issues (such as housing and economic development) remains up-to-date. The local plan evidence base includes:

Available Evidence	Evidence Under Preparation
<ul style="list-style-type: none">• Lancaster District Economic Prospects Update Report (Turley, 2017)• Strategic Housing Market Assessment Part II (Arc4, 2017)• Gypsy and Traveller Accommodation Assessment (Arc4, 2017)• Strategic Flood Risk Assessment (JBA, 2017)• Landscape Assessment (Arcadis, 2017)• Ecological Assessments (Greater Manchester Ecology Unit, 2017)• Archaeological Assessments (Lancashire Archaeological Advisory Service, 2017)• Heritage Assessment (Lancaster City Council, 2017)	<ul style="list-style-type: none">• Strategic Housing and Employment Land Availability Assessment (Lancaster City Council)• Economic Strategy (Turley)• OAN Sensitivity Testing (Turley)• Viability Assessment (LSH)• Open Space Study (Knight, Kavanagh & Page Ltd)• Playing Pitch Assessment (Lancaster City Council)• Review of Key Urban Landscape Policy (Arcadis)• Landscape Assessment – Strategic Sites (Arcadis)• Landscape Assessment – Cumulative Impact (Arcadis)• Sustainable Settlement Review (Lancaster City Council)• Transport Modelling (WYG)• Inclusive Growth Study (Participation and Shared Benefits) (Hall Aitken)• Geotechnical and Drainage Study (JBA)

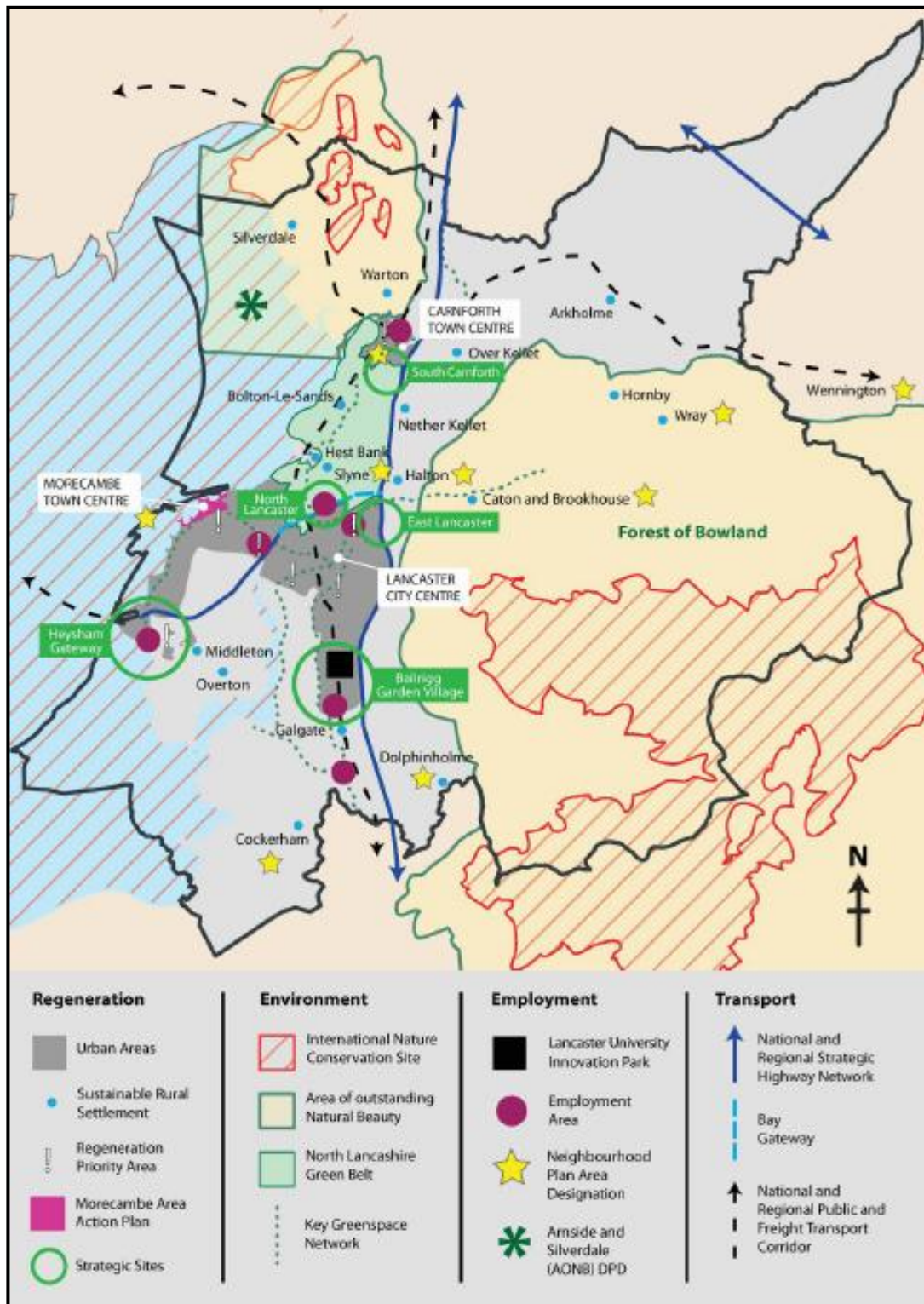
- 3.4 Evidence has identified significant potential for housing and economic growth in the District over the plan period with an objectively assessed need for housing of between 13,000 and 14,000 new homes and the creation of approximately 9,500 new jobs. This would represent a step change for the Lancaster housing market and local economy, with levels of growth not previously seen in the District.
- 3.5 The Council has procured this LPVA to assist and inform the preparation of the updated Local Plan.
- 3.6 The Local Plan comprises of the following four separate Local Plan Documents:
- Strategic Policies & Land Allocations DPD
The DPD will direct where homes, employment land, services and future investment will go in the District over the next 15 years. It will identify land to meet specific development needs of the district as well as areas which are worthy of protection from development due to their environmental, economic and social value. It will be accompanied by a policies map that shows sites that will be developed or protected from development.
 - Development Management DPD
This DPD sets out a series of generic planning policies which will be used by the Council to determine planning applications. It contains policies relating to economic, environmental and social matters.
 - Morecambe Area Action Plan DPD
The Morecambe Area Action Plan provides a vision and map for the future of central Morecambe. It creates a framework for the development, conservation and change needed to secure lasting regeneration gains for the town.
 - Arnsdale and Silverdale AONB Plan DPD
This DPD will identify sites for new housing and employment to meet local needs and will set out planning policies to ensure that development reflects the AONB designation.
- 3.7 The Development Management DPD and Morecambe Area Action Plan were both adopted by the Council in 2014 having been found sound by the Planning Inspectorate. The Strategic Policies & Land Allocations DPD and a review of the Development Management DPD were published for an eight week (Regulation 19) consultation in February 2018. The Arnsdale and Silverdale AONB DPD, which is being jointly prepared with South Lakeland District Council, was subject to consultation in Summer 2017. Viability testing of the Arnsdale and Silverdale AONB DPD is outside of the scope of this LPVA.

3.8 The updated Lancaster Local Plan (Strategic Policies and Land Allocations DPD) contains and is built on five strategic objectives:

- SO1: Delivery of a thriving local economy which fosters investment and growth and supports the opportunities to deliver the economic potential of the District.
- SO2: Provision of a sufficient supply, quality and mix of housing to meet the changing needs of the population and support growth and investment.
- SO3: Protect and enhance the natural, historic and built environment of the District.
- SO4: The provision of necessary infrastructure required to support both new and existing development and the creation of sustainable communities.
- SO5: Delivery of a safe and sustainable transport network that improves both connection within and out of the district, reducing the need to travel and encouraging more sustainable forms of transport.

3.9 The Strategic Policies & Land Allocations DPD also provides the following Key Diagram for the District, identifying the key regeneration, environment, employment and transport objectives:

Fig 4: Key Diagram of Lancaster District Future Development Objectives



3.10 A matrix providing a review of the adopted and emerging Local Plan documents and the potential impact of each policy on development viability is provided at *Appendix 1*.

4. Viability Assessment Professional Guidance

- 4.1 In this Section of the LPVA we detail the professional guidance we have used to establish our method to assess the viability of the various land uses and development typologies described in Chapter 7.

Professional Guidance and Viability

- 4.2 Our LPVA has regard to national planning policy guidance (see Chapter 2) and relevant professional guidance and reports published by various bodies to facilitate this process.

- 4.3 *National Planning Practice Guidance* ('NPPG') (Viability, paragraph 16) provides the most concise definition of viability:

'A site is viable if the value generated by its development exceeds the costs of developing it and also provides sufficient incentive for the land to come forward and the development to be undertaken.'

- 4.4 An important source of guidance is *'Viability Testing in Local Plans – Advice for planning practitioners'* (known as the 'Harman Report')⁶, which provides practical advice for planning practitioners on developing viable local plans and viability testing. The following definition of viability is provided (at page 14):

'An individual development can be said to be viable if, after taking account of all costs, including central and local government policy and regulatory costs and the cost and availability of development finance, the scheme provides a competitive return to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered.'

- 4.5 Royal Institution of Chartered Surveyors ('RICS') guidance (*Financial Viability in Planning*) (known as the 'RICS Viability Guidance')⁷ provides a methodology framework and guiding principles for financial viability in the planning context. It defines 'financial viability for planning purposes' as being:

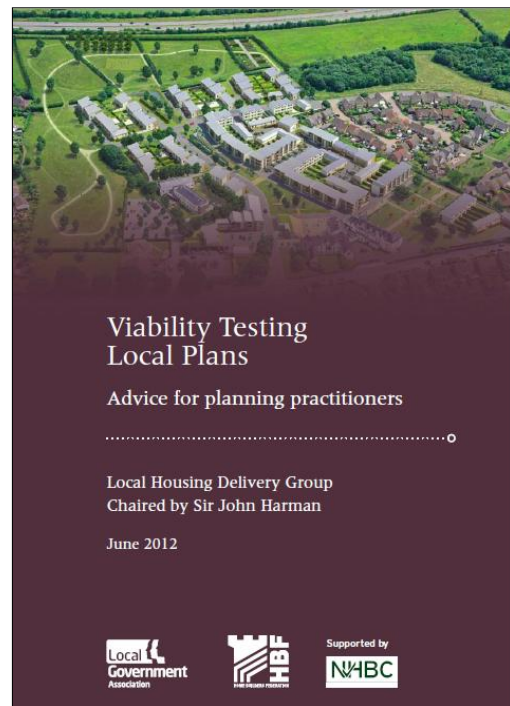
'An objective financial viability test of the ability of a development project to meet its costs including the cost of planning obligations, while ensuring an appropriate Site Value for the landowner and a market risk adjusted return to the Applicant delivering the project.'

⁶ *Viability Testing in Local Plans – Advice for planning practitioners*: LGA/HBF – Sir John Harman (June 2012):

<http://www.nhbc.co.uk/NewsandComment/Documents/filedownload.47339.en.pdf>

⁷ *Financial Viability in Planning* – RICS Guidance Note 1st Edition (GN 94/2012) (RICS, Aug 2012): http://www.rics.org/Documents/Financial_viability_in_planning_1st_edition_PGguidance_2012.pdf

- 4.6 The Harman Report and the RICS Viability Guidance provide useful guidance on key aspects of both plan-wide and site-specific viability testing, including the above definitions of 'viability' and the inclusion of detailed commentary on the land value assumption.



The Harman Report – Overview

- 4.7 The Harman Report was produced in 2012 in the wake of the launch of the NPPF¹ and was the culmination of the work of an independent cross-industry steering group featuring stakeholders from across the housebuilding industry convened the previous year by the then Housing Minister (Grant Shapps). This steering group, chaired by Sir John Harman, was charged with supporting the Government's objective to increase housing supply with the production of practical advice for local authorities and planning practitioners on developing viable Local Plans underpinned by a commitments from the Home Builders Federation ('HBF') to engage their members in applying this advice.
- 4.8 The Harman Report provides guidance on the task of viability testing in relation to a whole plan and the policies that are being developed as part of plan making. The advice is aimed at those responsible for Local Plans and plan policy making, as well as those with whom planners will work and engage to produce deliverable and sustainable plans. The primary role of a Local Plan LPVA is stated to be *'to provide evidence to show that the [viability and deliverability] requirements set out within the NPPF are met. That is, that the policy requirements for development set out within the plan do not threaten the ability of the sites and scale of that development to be developed viably. Demonstrably failing to consider this issue will place the Local Plan at risk of not being found sound.'* (Page 14).

- 4.9 The Harman Report ⁷ identifies that the most important function of a Local Plan viability assessment is to consider the cumulative impact of policies. This means *'taking account of the range of local requirements such as design standards, community infrastructure and services, affordable housing, local transport policies and sustainability measures, as well as the cost impact of national policy and regulatory requirements. The test should include both existing policies that the planning authority intends to retain and the new policy requirements that it is seeking to introduce.'* (Page 15).
- 4.10 The fact that some of these policy requirements may not be straightforward to cost is highlighted, with the accompanying advice that attempts must be made to *'consider the impact of all policies that may result in a development cost or benefit'*. (Page 15). The challenges that developers and housebuilders face in working with a large number of complex and overlapping standards, many of which are applied at local level are recognised. It is acknowledged that achieving compliance with these standards in combination presents a significant challenge to the industry, as *'the costs of achieving compliance and the burden and costs of demonstrating compliance can...be significant, and in some circumstances can have an impact on viability'* (Page 8).
- 4.11 The Harman Report advises that *'The role of the test is not to give a precise answer as to the viability of every development likely to take place during the plan period ... Rather, it is to provide high level assurance that the policies within the plan are set in a way that is compatible with the likely economic viability of development needed to deliver the plan.'* (Page 15)...*Because of the potentially widely different economic profiles of sites within a local area...a more proportionate and practical approach [is suggested to be that]...local authorities create and test a range of appropriate site typologies reflecting the mix of sites upon which the plan relies.* (Page 11).
- 4.12 It is pointed out that *'a plan-wide test will only ever provide evidence of policies being 'broadly viable'. The assumptions that need to be made in order to carry out a test at plan level mean that any specific development site may still present a range of challenges that render it unviable given the policies in the Local Plan, even if those policies have passed the viability test at the plan level. This is one why our advice advocates a 'viability cushion' to manage these risks'* (Page 18).
- 4.13 The Harman Report sets out the following recommended steps for assessing *'the viability of Local Plans'* (Part Two):

Step 1: Review existing evidence and consider scope for alignment of assessments

- Existing evidence
 - Review existing assessments and their evidence bases [e.g. site specific planning viability audits; viability and market evidence within recent Strategic Housing Land

Availability Assessments ('SHLAA's)] *to determine what can be used or developed further as part of the plan-wide viability assessment...This will help to reduce the burden and is in line with guidance to consider appropriate and available evidence. Particular consideration should be given to approaches that have been used in the past that have found good levels of support from local stakeholders* (Page 22).

- In 2010 the Council appointed consultants Adams Integra to prepare an Affordable Housing Viability Study to understand the implications arising from affordable housing requirements on the viability of development. The evidence prepared from the Adams Integra work assisted in the preparation of the Development Management DPD and the Managing Housing Needs SPD.
 - In 2012 the Council appointed consultants GVA to prepare a feasibility study into the use of the Community Infrastructure Levy (CIL) in Lancaster District. The commission also included the preparation of an Infrastructure Delivery Plan in relation to highways and utilities provision which was prepared by consultants AECOM.
 - We have taken the view that the 2010 and 2012 viability assessment work is now out of date and therefore there is little merit in carrying out a detailed review of these historic assessments.
 - LSH have been regularly involved over recent years in the audit of site-specific planning viability submissions within the District. This ongoing experience has assisted the preparation of this LPVA.
- Alignment of assessments
 - *While considering the potential for other exercises to inform the evidence for a plan viability test, it is also important to explore the potential for aligning or combining future assessments* (Page 232).
 - *This aspect relates particularly to situations where a LPA envisages the foreseeable introduction of a CIL charging regime, where it would be good practice to combine viability testing for the Local Plan and in respect of CIL.*
 - The Council is currently considering the introduction of CIL and LSH have been appointed to also provide viability testing in this regard.

Step 2: Agree the appraisal methodology, assumptions and information to be used

Consultation with appropriate stakeholders is advocated in order to 'sense-check' assumptions and maximise the likelihood of industry 'buy-in' to the viability testing process and the subsequent delivery of development in accordance with the policies of a Local Plan. As part of the formulation of this LPVA we have consulted with relevant stakeholders. Further details are provided in *Appendix 2*.

- Existing models and methodologies
 - *The local planning authority should be in a position to make a well-informed judgement as to the merits of any given approach to the viability assessment. Critically, it should make every effort to get stakeholders to agree on the approach and to ensure that the assumptions used are transparent and available to all parties. Most existing models use a residual land value methodology to assess viability. Here, the difference between the value and costs of development are compared with land values to determine whether development will be viable. We recommend that the residual land value approach is taken when assessing the viability of plan-level policies (Page 25).*
 - Further detail on the methodology and modelling that has been utilised in the preparation of this LPVA is detailed at 7.2 to 7.6 below.
- Treatment of viability over time
 - *...it is sensible for the assessment of plan viability similarly to adopt a slightly different approach for the first five years from that taken for the longer term period covered by the plan. The most straightforward way to assess plan policies for the first five years is to work on the basis of current costs and values...The one exception...should be recognition of significant national regulatory changes to be implemented, particularly during the first five years, where these will bring a change to current costs over which the developer or local planning authority has little or no control...For the period beyond the first five years (i.e. the 6-15 year period), it is suggested that a more flexible approach may be taken, recognising the impact of economic cycles and policy changes over time...Inevitably, this will require predicting some key variables...The best a council can realistically seek to do is to make some very cautious and transparent assumptions with sensitivity testing of the robustness of those assumptions...albeit that it should be recognised that the forecasts for the latter part of the plan period are unlikely to be proved accurate and will need review (Pages 26 and 27).*
 - Sensitivity testing has been adopted within this LPVA. Sensitivity analysis within the viability model assess the impact of increasing and decreasing market values and construction costs.
- Treatment of Threshold Land Value – see 4.14 to 4.21 below.
- Consideration of types of site
 - *...partners should...consider the types of site that are likely to form the supply for development over the plan period. Planning authorities may build up data based on the assessment of a number of specific local sites included within the land supply, or they may create a number of hypothetical sites, typologies or reasonable assumptions about the likely flow of development sites. In either case, a reasonably wide variety of sites has to be considered (Pages 31 and 32).*

- This LPVA has adopted the second approach of viability testing a range of hypothetical sites agreed with the Council and ‘sense-checked’ through consultation with relevant stakeholders. These sites are taken to represent a realistic range of site typologies likely to come forward for development in the emerging Local Plan. Further detail on the nature of the hypothetical sites we have tested is set out in Chapter 7 below.
- Policy requirements
 - *the scoping exercise must also include a thorough consideration of the potential policy requirements within the emerging Local Plan that are to be costed and included within the assessment – that is, requirements that are likely to give rise to added costs of development, and therefore have an impact on viability...Here is a range of requirements that planning authorities may consider:*
 - *Site-specific Sustainability.*
 - *Site-specific Design Demands.*
 - *Community Infrastructure and Services (s106 and CIL).*
 - *Affordable Housing.*
 - *Adoption Costs, Bonding, etc.*
 - *Transport Policies.*

Where these are proposed, their cost impact should be included within the viability assessment (Page 33).

- We are aware of typical ranges of affordable housing and s106 contributions agreed in respect of approved schemes within the District over the past three years. In our experience it is unlikely that an LPVA will reveal significant changes in the viability of potential schemes within a specific LPA area. Even if an LPVA did reveal such viability changes it is unlikely the market would tolerate extreme shifts in planning policy on issues of relevance to viability from one Local Plan period to the next. Consequently we take the view that the Council’s recent ‘track record’ in respect of affordable housing and s106 contributions is of direct relevance to this LPVA. This has influenced the parameters we have viability tested within and the range over which specific assumptions have been sensitivity tested.
- We also hold data, which has been ‘sense-checked’ with stakeholders, on the cost effect of sustainability and design demands. This cost information has been built into the assumptions we have adopted.

Step 3: Information gathering and viability modelling

Consultation with appropriate stakeholders with knowledge of the local market (*‘estate agents, developers, registered providers, land agents and local surveyors and valuers’*)

Page 34) is again advocated in order to 'sense-check' assumptions. As part of the formulation of this LPVA we have consulted with relevant stakeholders. Further details are provided in *Appendix 1*. The specific assumptions we have adopted within this LPVA in respect of development revenues, costs, developer return and land values are set out in Chapter 7 below.

- *Development revenues and costs*
 - *Revenue*
 - Average figures for types of development envisaged, based on local housing net sales values
 - Value received by developer for affordable housing
 - *Build costs*
 - *Based on BCIS or other appropriate data, adjusted only where good evidence for doing so based on specific local conditions and policies including low quantities of data (Page 34)*
 - *External works, infrastructure and site 29reenfie*
 - *...likely to vary significantly from site to site. [LPA] should include appropriate average levels for each type of site unless more specific information is available. Local developers should provide information to assist in this area where they can, taking into account commercial sensitivity. (Page 35)*
 - *Site acquisition costs*
 - *Site specific mitigation*
 - Average figures for types of development envisaged for infrastructure items such as flood protection, sustainable urban drainage schemes (SUDS), ecological considerations, and off-site highways works. Where possible, engagement with utility providers, Highways England, Environment Agency, land owners and site promoters is encouraged.
 - *Fees*
 - Will vary with the changing complexity of sites and should reflect likely nature of sites coming forward for development.
 - *Sales and marketing costs*
 - *Finance costs*
 - *Common viability testing problems to be avoided:*
 - Overlooking the distinction between the gross site area and the net developable area (the gross to net ratio can often be circa 50% on larger sites).
 - Use of BCIS build cost data and failure to include an additional allowance for external site and infrastructure costs

- Application of finance costs to only build costs and not purchase and infrastructure costs.
- Overlooking the cost of promoting schemes and associated fees, over and above planning fees.
- Return on development and overhead
 - *The level of overhead will differ according to the size of developer and the nature and scale of the development. A 'normal' level of developer's profit margin, adjusted for development risk, can be determined from market evidence and having regard to the profit requirements of the providers of development finance...Smaller scale, urban infill sites will generally be regarded as lower risk investments when compared with complex urban regeneration schemes or large scale urban extensions (Page 36).*
- Land values
 - *In order to determine an appropriate 'current use value', planning authorities should take up-to-date advice from local agents and valuers. This is likely to give a more locally accurate picture than relying on nationally available datasets...What ultimately matters for housing delivery is whether the value received by the land owner is sufficient to persuade him or her to sell their land for development (Page 37).*

Step 4: Viability appraisal and tests

Once assumptions have been agreed an initial viability assessment can be carried out, initially on a high-level basis. Subsequent detailed analysis can follow, where appropriate. *The appraisal should be able to provide a profile of viability across a geographical range and/or range of different types of site. This will be far more informative than blanket averages for the whole area...Once this profile is established, it may also help to include some tests of...actual sites likely to come forward for development if this information is available. This will allow a sense check of the profile. (Page 38).*

Step 5: Review outputs, refine and revise the modelling

The LPA should share initial outputs from viability modelling with relevant stakeholders for comment. Consultants (where utilised) should be on hand to explain technical detail. Initial outputs may lead to the need to change some assumptions to more closely achieve a balance between community aspirations and viability. Alternatively it may be that alternative policy options can be suitably illustrated by sensitivity testing. Local members and relevant stakeholders should be fully briefed on the purpose and outcome of any revised modelling. Where the assessment indicates significant risk to delivery there may be the need to lower or revise policy aspirations and/or allocate a greater quantity or a different mix of land.

Keeping the viability of plan policies under review

Once the Local Plan has been adopted further supplementary policies directly affecting costs and viability should not be introduced without an appropriate and robust viability review. Where plan-wide viability testing evidence is found sound it is easier to proceed with periodic ‘refreshes’ of assumptions and testing using the same methodology. Where policies have been set with a ‘viability cushion’, modest changes in development variables should not overly affect viability and deliverability. Where the rate of delivery meets plan’s delivery assumptions it is unlikely that a specific review will be necessary. This should be monitored on an annual basis, potentially alongside key variables such as house prices, finance costs, build costs and land values.

The Harman Report – Threshold Land Value

- 4.14 One of the key issues for plan wide viability analysis is the Threshold Land Value (‘TLV’) – defined in the Harman Report as *‘the value at which a typical willing landowner is likely to release land for development.’* (Page 28)
- 4.15 The Harman Report recommends that when considering the appropriate TLV, account needs be given to *‘the fact that future plan policy requirements will have an impact on land values and owners’ expectations’*. Concern is expressed that *‘using a market value approach as the starting point carries the risk of building-in assumptions of current policy costs rather than helping to inform the potential for future policy* (Page 29).
- 4.16 The Harman Report recommends that *‘the (TLV) is based on a premium over current use values and ‘credible’ alternative use values’*. However, it is accepted that *‘alternative use values are most likely to be relevant in cases where the Local Plan is reliant on sites coming forward in areas (such as town and city centres) where there is competition for land among a range of alternative uses’* (Page 29).
- 4.17 The Harman Report does not prescribe what the premium over existing use value should be, but proposes that this should be *‘determined locally (and) it is important that there is evidence that (the ratio utilised) represents a sufficient premium to persuade landowners to sell’* It is further recognised that in certain circumstances, particularly in areas where landowners have *‘long investment horizons’* (e.g. family trusts, Crown Estate, Oxbridge Colleges, Financial Institutions), *‘the premium will be higher than in those areas where key landowners are more minded to sell’* (Page 30).
- 4.18 The Harman Report states that reference to market values can provide a useful *‘sense check’* to the assumed TLV used in the viability model, but *‘it is not recommended that [this is] used as a basis for the input to a model’* (Page 29). *‘Local sources should be used to*

provide a view on market values (the 'going rate'), as a means of giving a further sense check on the outcome of the current use plus premium calculation' (Page 30).

- 4.19 This section of the Harman Report also highlights a range of specific circumstances where any perceived 'premium' over existing (current) use value is likely to vary significantly, for example;
- Urban sites with alternative potential uses
 - Large greenfield sites (*'where a prospective seller is potentially making a once in a lifetime decision over whether to sell an asset that may have been in [the same] ownership for many generations. Accordingly, the uplift to current use value sought by the landowner will invariably be significantly higher than in an urban context'*, Page 30).
 - Smaller, edge-of-settlement greenfield sites (*where 'landowners' required returns are likely to be higher than those associated with larger greenfield sites'*, Page 31).
- 4.20 Based upon our considerable experience of the property market the approach advocated in the Harman Report risks ignoring the workings of the property market, where almost all willing landowners are driven by achieving the best return for land sales. Judgements on the potential return will in the vast majority of circumstances be based on market evidence of what has been achieved in other recent sales.
- 4.21 We would advocate a land value assumption based on an appropriate reduction to historic market values, reflecting potential emerging / proposed planning policies. It is, however, important for planners and viability consultants to appreciate that the market will generally only tolerate an increase to the perceived policy burden by a certain degree. For example, if a LPA had an existing policy regime which required the provision of 10% on-site affordable housing on sites of more than ten units, if sales or land value evidence showed little recent change, a proposed increase in an emerging Local Plan to 50% on-site affordable housing would be unlikely to be conducive to the ongoing delivery of residential development at the same rate as the existing policy regime.

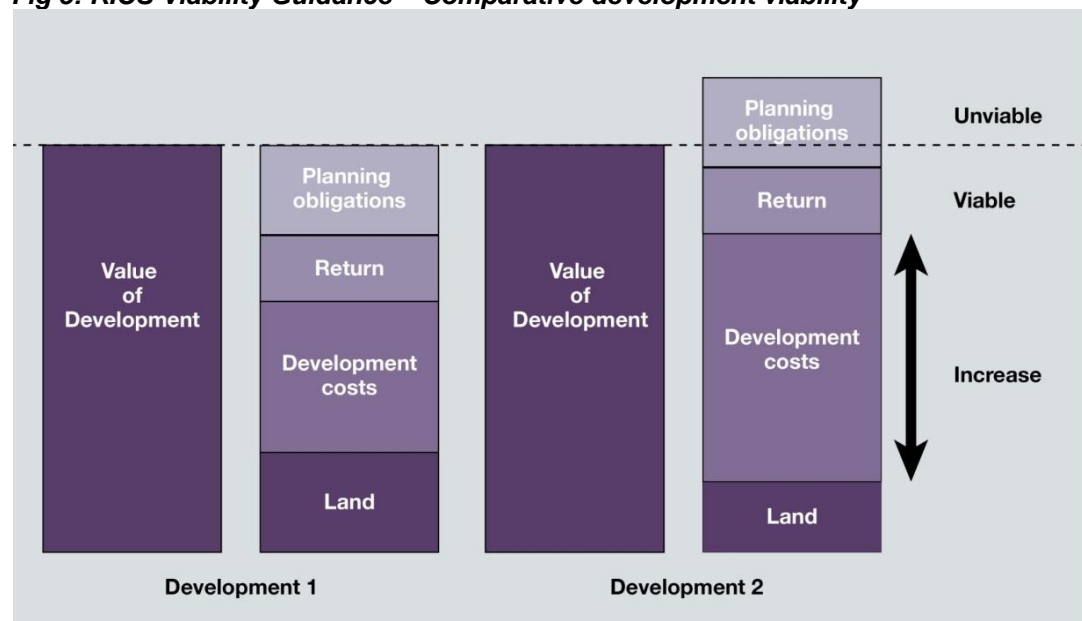
RICS Viability Guidance – Overview

- 4.22 The RICS Viability Guidance was published shortly after the Harman Report in August 2012 to provide RICS accredited viability practitioners with guidance on how the viability test required by the NPPF ¹ can be satisfied. It is less academic and much more 'market facing' in its approach and includes technical guidance on determining an appropriate site / benchmark value. The RICS Viability Guidance *'provides all those involved in financial viability in planning and related matters with a definitive and objective methodology framework and set of principles that can be applied mainly to development management.*

The principles are however applicable to the plan making and CIL (area wide) viability testing.’ (Page 4)

- 4.23 Whilst in some respects the RICS Viability Guidance and the Harman Report can be seen as complimentary, there are contradictions between the two papers, particularly insofar as the determination of an appropriate benchmark or TLV.
- 4.24 When undertaking a viability assessment for planning purposes, LSH takes full consideration of the RICS Viability Guidance, which provides a definitive and objective methodology framework to support plan wide and affordable housing viability assessments. It is grounded in the statutory and regulatory planning regime that currently operates in England, consistent with the Localism Act 2011, the NPPF and Community Infrastructure Levy (CIL) Regulations 2010.
- 4.25 The RICS Viability Guidance identifies that the fundamental issue in considering viability assessments in a *‘planning context is whether an otherwise viable development is made unviable by the extent of planning obligations or other requirements’* (Page 10, Para 2.1.2).
- 4.26 The RICS Viability Guidance illustrates this issue through an illustrative diagram (see Fig 5 below). The development economics of Development 1 is such that policy requirements can be met whilst also meeting a reasonable site value, development costs and a market risk adjusted return for the development. Under Development 2, costs have increased, while development values have remained static and the proposed site value is slightly reduced. The impact of this is that Development 2 is potentially unviable.

Fig 5: RICS Viability Guidance – Comparative development viability



Source: Financial Viability in Planning – RICS Guidance Note 1st Edition

- 4.27 In general circumstances, the RICS Viability Guidance ⁸ proposes the use of a residual appraisal methodology for financial viability testing. The residual method: *recognises that the value of a development scheme is a function of a number of elements: the value of the completed development (gross development value (GDV)); the direct costs of developing the property (gross development cost (GDC)); the return to the developer for taking the development risk and delivering the scheme; the cost of any planning obligations, and the cost or value of the site. The residual approach is used for development situations where the direct comparison with other transactions is not possible due to the individuality of development projects. However, practitioners will seek to check residual development appraisals with market evidence* (Page 11, Para 2.2.1).
- 4.28 A residual appraisal facilitates an assessment of the impact of planning obligations or policy implications on viability. This method allows for either the level of developer return or site value to be inputted with the consequential output (either a residual land value or return respectively) being used to compared to a target return or value, known as a benchmark, having regard to the market.
- 4.29 Fig 6 (below) shows the key elements in a development / residual appraisal model:

Fig 6: The Residual Appraisal Method

<p style="text-align: center;"><i>Residual Value approach with land value as output</i></p> <p style="text-align: center;">Gross Development Value (The combined value of the complete development)</p> <p style="text-align: center;">LESS</p> <p style="text-align: center;">Gross Development Cost (Cost of creating the asset, including a profit margin) (i.e. Construction + fees + finance charges + profit)</p> <p style="text-align: center;">= RESIDUAL LAND VALUE (which is then compared with acceptable competitive return for willing landowner)</p>
<p style="text-align: center;"><i>Residual Value approach with developer profit as output</i></p> <p style="text-align: center;">Gross Development Value (The combined value of the complete development)</p> <p style="text-align: center;">LESS</p> <p style="text-align: center;">Gross Development Cost (Cost of creating the asset, including a purchase of land) (i.e. Land + Construction + fees + finance charges)</p> <p style="text-align: center;">= RESIDUAL PROFIT (RETURN) (which is then compared with acceptable competitive return for willing developer)</p>

- 4.30 If the residual appraisal output (residual land value or residual profit) is above the target benchmark, in the context of a set of reasonable and realistic development assumptions,

then a scheme is considered to be viable. If the residual output is close to or slightly below the benchmark then the scheme is likely to be of marginal viability. If the residual output is significantly below the benchmark the scheme will be considered to be unviable and one or more costs of the scheme (land value, planning contributions development costs or profit) will need to be reduced in order for the scheme to proceed.

- 4.31 The RICS Viability Guidance ⁸ provides the following definition of Site Value:

Site value should equate to the market value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan' (Page 12, Para 2.3.1).

- 4.32 Any assessment of Site Value will also have regard to prospective planning obligations while also having regard to the prevailing property market.

- 4.33 In the context of plan-wide viability testing the RICS Viability Guidance puts forward a second assumption that needs to be applied to the definition of Site Value:

'Site value (as defined above) may need to be further adjusted to reflect the emerging policy...The level of the adjustment assumes that site delivery would not be prejudiced. Where an adjustment is made, the practitioner should set out their professional opinion underlying the assumptions adopted. These include, as a minimum, comments on the state of the market and delivery targets as at the date of assessment' (Page 12, Para 2.3.3)

- 4.34 The RICS Viability Guidance ⁸ adopts the RICS definition of market value as the appropriate basis to assess site value (see 4.31 above). This is consistent with NPPF, which acknowledges that 'willing sellers' of land should receive 'competitive returns'. Competitive returns can only be achieved in a market context (i.e. market value) not one which is hypothetically based with an arbitrary mark-up applied, as in the case of existing use value (or current use value) plus a premium.

- 4.35 The RICS Viability Guidance provides specific commentary on the issues that can arise where viability testing is undertaken with assumed site value based on 'EUV plus a premium', rather than on the basis of market value adjusted to take account of existing and emerging development plan policies:

One approach has been to adopt current use value (CUV) plus a margin or a variant of this, i.e. existing use value (EUV) plus a premium. The problem with this singular approach is that it does not reflect the workings of the market as land may not be released at CUV or CUV plus a margin (EUV plus). It is possible, however, that current use represents market value, providing that the CUV is in excess of the residual value produced by a proposed development (Page 17, Para 3.4.1).

Once a Site Value...has been established, and therefore has regard to the market, it is of course possible to show ('back out') how this can be disaggregated in terms of EUV plus the premium element. Practitioners and users will see the significant variance that can occur between different schemes in respect of the 'premium' element. This is why the practice of applying a singular approach, i.e. in the absence of market testing, of so called standard mark ups (the 'premium') to EUV is arbitrary, does not reflect the market, and can result in the over or under valuing of the site in question (Page 17, Para E.1.11).

- 4.36 Whilst 'EUV plus a premium' can be useful to help 'triangulate' the market value for a particular site, the emphasis does have to be on property market evidence if the scheme is to be grounded in reality and therefore deliverable. It is for these reasons that we commend the RICS Guidance.
- 4.37 The government published a revised draft NPPG in March 2018. The draft NPPG document states (at page 8) that *'benchmark land value should be calculated on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum price at which it is considered a rational landowner would be willing to sell their land. This approach is often called 'Existing Use Value Plus' (EUV+).'*
- 4.38 The draft NPPG document goes on to advise (at page 9) that *'when undertaking any viability assessment, an appropriate minimum premium to the landowner can be established by looking at data from comparable sites of the same site type that have recently been granted planning consent in accordance with relevant policies. The EUV of those comparable sites should then be established...This evidence of the price paid on top of existing use value should then be used to inform a judgement on an appropriate minimum premium to the landowner.*
- 4.39 Consequently, we take the view that the draft NPPG is effectively advocating the approach commended by LSH and the RICS Guidance (see 4.36 above) that the emphasis does have to be on property market evidence if the scheme is to be grounded in reality and therefore shown to be deliverable.

5. Residential Market Context

Residential Market Context – National

5.1 According to the *Rightmove* House Price Index⁸ for December 2017, the average price of UK property coming to the market was down by 2.6% compared to the previous month at £302,865. This represents an annual increase of 1.2%.

5.2 According to the *Zoopla* area guide for the United Kingdom⁹, over the last 12 months the highest number of sales were semi-detached houses, followed by terraced, detached and flats. These trends are reflected in the following table:

Fig. 7. National house price and sales volume data based (past 12 months)

House Type	Average Price Paid	Current Average Value	Number of Sales
Detached	£384,510	£446,004	186,558
Semi-detached	£246,713	£273,271	210,108
Terraced	£231,813	£252,232	199,388
Flats	£252,907	£301,608	121,734
All	£273,401	£311,830	763,213

Source: www.zoopla.com (December 2017)

5.3 RICS publish a monthly UK residential market survey which provides an indication of current and future conditions in the UK residential sales and lettings market. This survey is published monthly, was most recently published in November 2017¹⁰ and has provided the following headline findings:

- Negative price balance for London, South East and East Anglia offsets growth elsewhere
- Demand indicator stabilises somewhat
- Sales continue to decline albeit at a more modest pace

5.4 The surveys highlight that sales activity continues to lack momentum and price growth is reported to have come to a standstill at the national level, with regional patterns displaying a mixed picture and London displaying the most negative trend. Price growth is noted in Wales, Northern Ireland and the North West.

5.5 Reference is made to political uncertainty in the aftermath of the General Election and the ongoing Brexit process causing hesitancy from both buyers and vendors.

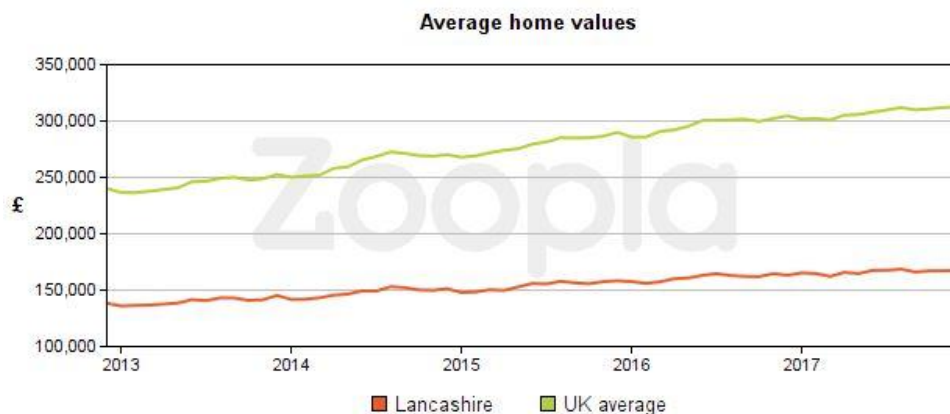
⁸ *Rightmove* House Price Index: <http://www.rightmove.co.uk/news/house-price-index/>

⁹ *Zoopla* Area guide for UK: <https://www.zoopla.co.uk/market/uk/>

¹⁰ *RICS UK Residential Market Survey (November 2017)*:
https://www.rics.org/Global/November_2017_RICS_UK_Residential_Market_Survey_tp.pdf

- 5.6 The survey notes that there continues to be a lack of supply, with new instructions falling for the twenty-first consecutive month during November. Consequently, average stock levels on estate agents' books remain close to record lows, limiting choice for potential home buyers. The lettings market has shown similar trends, with interest from potential tenants falling for the first time since 2015 and landlord instructions declining.
- 5.7 In respect of market forecasts, respondents are not anticipating activity in the sales market to gain significant impetus over the next year. Notwithstanding this, the outlook appears a little more positive in some parts of the UK, other than London.
- 5.8 The graph below compares national home value trends in the County of Lancashire and the UK. The county's average home value over the last 12 months is £166,619 which is approximately 47% less than the £311,830 average for the UK. It should be pointed out that this average house price is, in part, reflective of the nature of housing stock in the key settlements of the County, comprising a predominance of small terraced properties.

Fig. 8. Value Trends Graph – Lancashire, UK (past 5 years)



Source: Zoopla 2017

Geographical and Economic Overview – Lancaster District

- 5.9 The District of Lancaster is the northern-most district within the county of Lancashire in the north-west of England. The key settlement within the District is the city of Lancaster, with other key centres of population being Morecambe, Heysham and Carnforth. Key road connections are provided by the M6 from the north to south, and A683 from the East to West. Lancaster railway station provides access to the west coast main line, with London Euston being directly accessible by rail within three hours. The map below illustrates the district boundaries:

Fig. 9. Lancaster District administrative area



Source: Google maps

- 5.10 The 2016 mid-year population estimate total for the authority was 143,517¹¹. It is estimated that between 2014 and 2039 the population of the District will increase by 9.3%, which is well above the 4.4% increase predicted for Lancashire County. The table below gives further economic statistics for Lancaster District compared with the wider North West area and Great Britain, as a percentage of the population:

Fig. 11. Percentage of population economically active in context

Category	Lancaster	North West	Great Britain
Population aged 16-64	63.8%	62.8%	63.1%
Economically Active	84.1%	75.7%	78.0%
Unemployment	4.5%	5.1%	4.8%

Source: NOMIS, Labour Market Profile – Lancaster (2016)¹²

¹¹ Lancashire County Council – ‘Lancaster District’ Snapshot
<http://www.lancashire.gov.uk/lancashire-insight/area-profiles/local-authority-profiles/lancaster-district.aspx>

¹² NOMIS official labour market statistics, Labour Market Profile – Lancaster.
<https://www.nomisweb.co.uk/reports/lmp/la/1946157095/report.aspx#tabempocc>

- 5.11 There were a total of 58,000 employee jobs across the District in 2016, 63.8% of which were full time positions and 37.9% part time roles. The sectors employing the highest number of people in Lancaster during 2016 were Education (17.2%); Human Health and Social Work Activities (15.5%); and Wholesale and Retail Trade and Repair of Motor Vehicles (13.8%). As part of a wider trend, Lancaster's manufacturing sector has too declined and the service sector grown.

Lancaster District – House Price Trends

- 5.12 The table below shows house price data for Lancaster District for the 22 months from January 2016:

Fig. 12. Lancaster house price and sales volume data (2016 and 2017)

2016		
House Type	Average Price Paid	Number of Sales
Detached	£276,065	513
Semi-detached	£164,556	868
Terraced	£140,529	693
Flats	£125,271	343
All	£175,760	2,417 (201 sales per month)

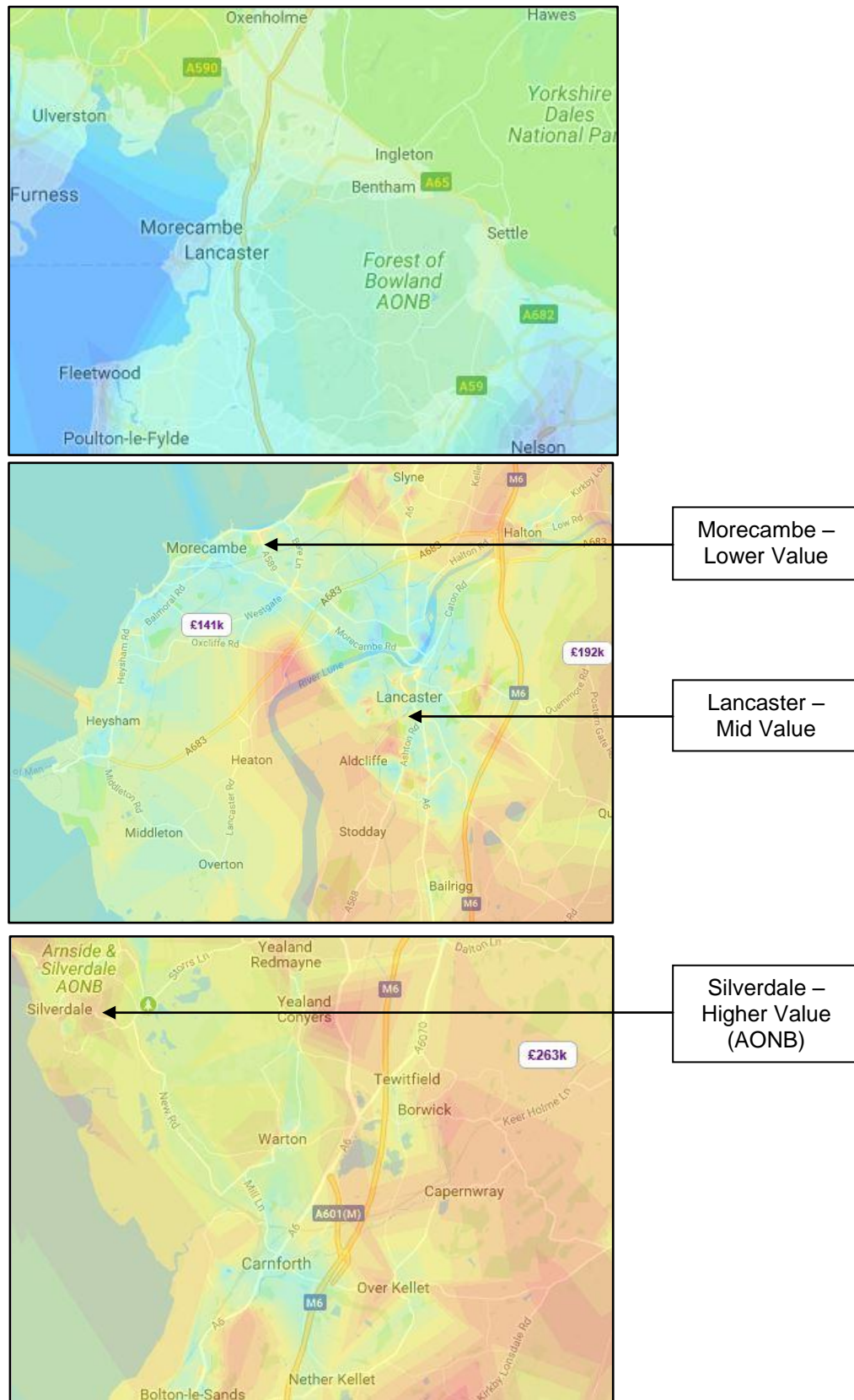
2017 (Jan to October only)		
House Type	Average Price Paid	Number of Sales
Detached	£281,657	405
Semi-detached	£163,128	722
Terraced	£134,432	629
Flats	£123,108	278
All	£172,385	2,034 (203 sales per month)

Source: Land Registry Price Paid Data¹³

- 5.13 The heatmaps below show the range of house price levels across Lancaster District which vary considerably in different areas. Lower value areas, such as the key towns of Morecambe, Heysham, Lancaster city centre and Carnforth, are indicated by 'cooler' colours. These lower values are, in part, reflective of the nature of housing stock, comprising a predominance of small terraced and flatted properties. In contrast, the higher value areas are located more predominantly in villages and rural areas near the land within the National Parks, indicated by 'warmer' colours.

¹³ HM Land Registry Price Paid Data: <http://landregistry.data.gov.uk/app/standard-reports>

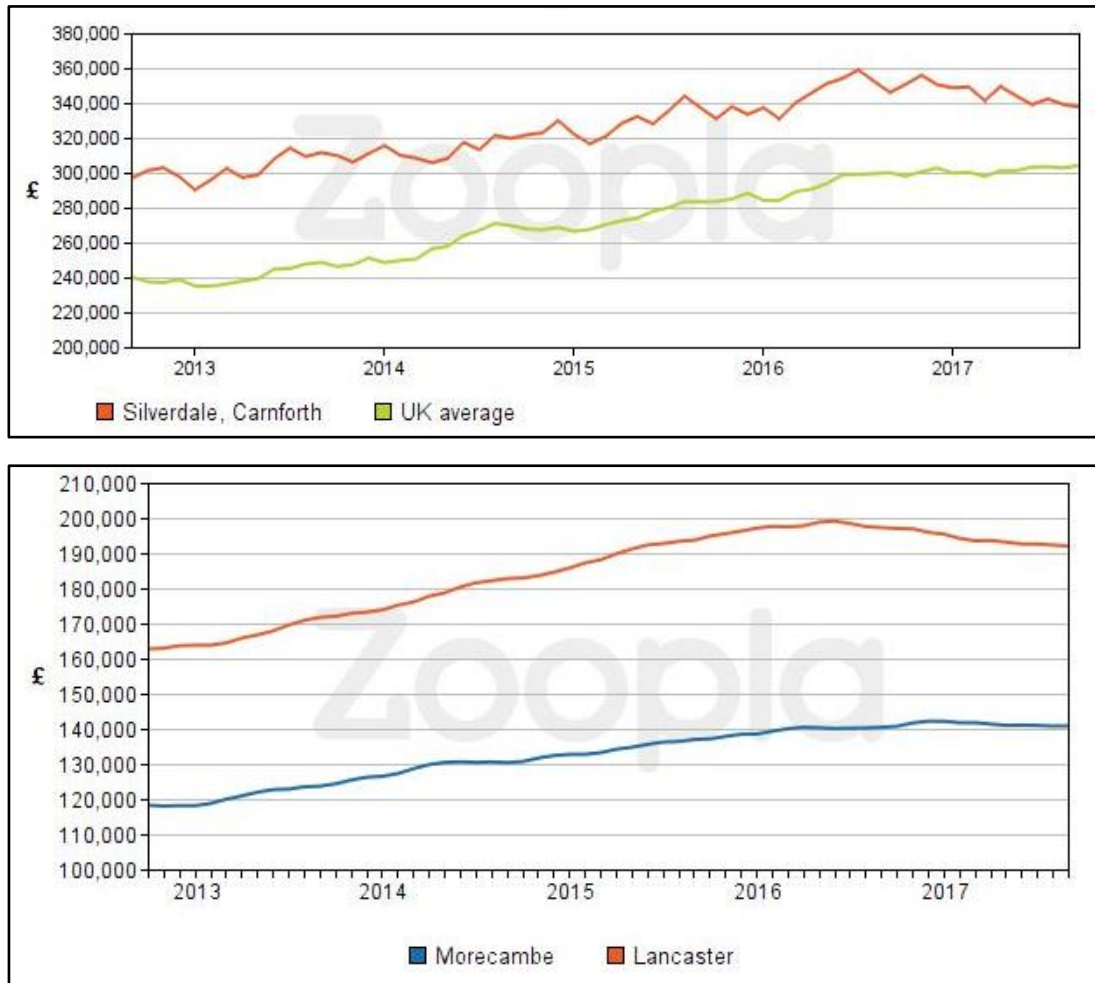
Fig. 13. Lancaster District house price heatmaps



Source: www.zoopla.com (September 2017)⁹

- 5.14 This trend in house price variation across the District can also be seen in the Zoopla graphs below, where the principal city of Lancaster sits above seaside town Morecambe in terms of value trends over the past five years. In contrast, rural areas such as Silverdale, located in a National Park area which is also an Area of Outstanding Natural Beauty (AONB) have achieved significantly higher values, with average values sitting around 60% higher than Morecambe.

Fig. 14. Value Trends Graph – Selected Lancaster District settlements (past 5 years)



Source: www.zoopla.com (September 2017)⁹

- 5.15 The Zoopla website⁹ compiles a 'zed-index' which is the average property value in a given area based on current zoopla estimates, which in turn are based on a range of information including sales data, asking prices, regional price trends. Zoopla's 'zed-index' provides a useful starting point when reviewing the current price differentials between different areas, although any assumptions must be considered in the context of the respective nature of the generic housing stock of each area (i.e. a predominance of small terraced houses will reduce average recorded sale prices).

5.16 The table below shows current 'zed-index' figures for each postcode sub-area within Lancaster City Council's area of planning control:

Fig. 15. Lancaster District 'Zed-Index' Figures

Postcode sub-area	'zed-index' figure	Settlements in area	Value change in 12 months to Oct 2017	Number of sales in past 12 months
LA1	£161,373	Lancaster Urban area (including Aldcliffe and Bailrigg)	- 0.37%	785
LA2	£258,896	Rural areas to south, south-east, east and north-east of Lancaster including Caton, Cockerham, Ellel, Galgate, Halton, Hest Bank, Hornby, Quernmore (note this area also includes a small part of Craven District, including Austwick, Clapham and High Bentham)	+ 0.86%	277
LA3	£142,074 <i>[see Note 1]</i>	Morecambe (south), Heysham, Middleton, Overton, Sunderland Point	+ 2.26%	364
LA4	£139,604 <i>[see Note 1]</i>	Morecambe (north), Torrisholme	+ 2.79%	370
LA5	£233,250	Carnforth, Bolton-le-Sands and the Arnside and Silverdale AONB area featuring Silverdale, Warton (note this area includes Arnside which forms part of South Lakeland District in Cumbria)	- 0.13%	253
LA6	£307,107	Arkholme, Cowan Bridge, Ireby, Leck, Tunstall, Whittington (note this area includes Burton-in-Kendal, Casterton and Kirkby Lonsdale which form part of South Lakeland District in Cumbria. This area also includes Burton-in-Lonsdale and Ingleton within Craven District, North Yorkshire)	+ 2.08%	155

Source: www.zoopla.com (October 2017)⁹

Note 1: The opening of the 'Bay Gateway' A683 Lancaster Northern by-pass in October 2016 is expected to have a positive effect on market values within these settlements over time

Lancaster District – Overview of New Build Residential Market Evidence

- 5.17 We have carried out a review of current new build asking prices and a market review of new build sales values recently achieved within Lancaster District. This is based on a detailed analysis of HM Land Registry new-build price paid data¹⁴, cross-referenced to floor area data held on the EPC (Energy Performance Certificate) database¹⁴ in order to derive achieved values on a £ per square metre / foot basis. This provides a good baseline for forming a professional view on assumed new build values likely to be achieved on hypothetical future sites across the District, as to be modelled within this LPVA.
- 5.18 We have analysed new build sales values achieved within the LA1 postcode area (Lancaster Urban area, including Aldcliffe and Bailrigg) since January 2016. For other parts of the District outside Lancaster we have analysed new build sales data for an extended period from January 2014, due more limited numbers of recently completed residential developments.

Lancaster (LA1) – New Build Residential Market Activity and Evidence

- 5.19 There have been 296 new build market sales across seven sites within LA1 since January 2016. Further detailed analysis of each individual sale is set out at *Appendix 2(i)*:

Fig. 16. Summary of new build market evidence – Lancaster (Jan 2016 to June 2017)

<i>Address</i>	<i>Ave floor area (m²)</i>	<i>Market sales in period</i>	<i>Ave sale price per unit</i>	<i>Ave £ per m²</i>	<i>Ave £ per ft²</i>
Riverside View (Redrow / Barratt)	102	90	£223,787	£2,194	£204
The Potteries (Phase 1) (Miller Homes)	111	26	£264,783	£2,385	£222
Quernmore Park (Barratt Homes)	102	40	£251,923	£2,470	£230
High Wood (Story Homes)	115	47	£275,401	£2,390	£222
Lancaster Moor (PJ Livesey)	90	43	£203,178	£2,250	£209
Williamson Court (McCarthy & Stone)	65	54	£157,900	£2,429	£227
Aldcliffe Yard (Canal and River Trust)	119	6	£316,658	£2,659	£247

¹⁴ Domestic energy performance certificate register (DCLG): <https://www.epcregister.com/>

<i>Address</i>	<i>Ave floor area (m²)</i>	<i>Number of market sales in period</i>	<i>Ave sale price per unit</i>	<i>Ave £ per m²</i>	<i>Ave £ per ft²</i>
Totals / averages across all sites (See Note 1)					
Flatted units	83	53	£172,714	£1,676	£157
Terraced units	105	52	£200,522	£1,039	£95
Semi-detached units	95	45	£219,889	£2,325	£216
Detached units	118	96	£287,664	£2,443	£227
ALL UNITS	103	246	£238,954	£2,325	£216

Note 1 – Excluding Williamson Court and Aldcliffe Yard, as not considered representative of mainstream developments

- 5.20 It is noted that one of the above sites are being developed by Story Homes. To provide some regional context, the table below shows sales information from three Story Homes' sites in Carlisle over a similar period (January 2016 to March 2017):

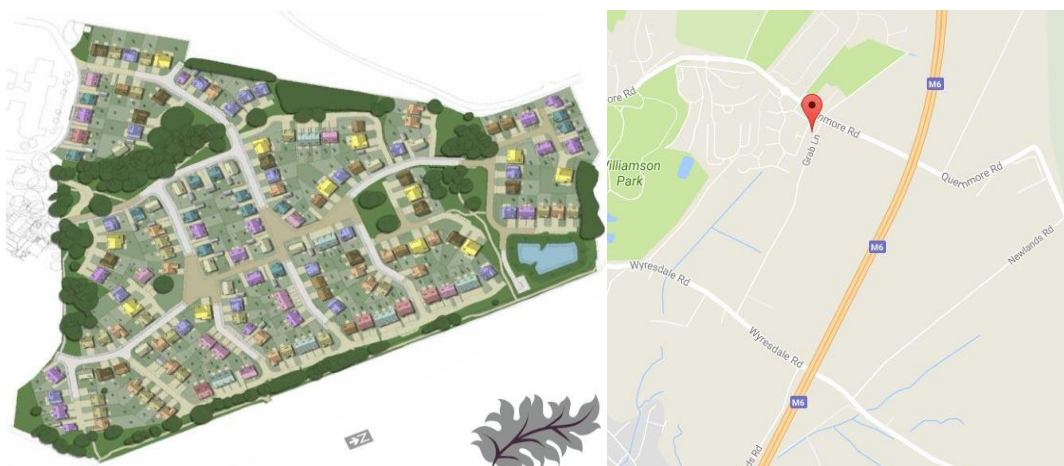
Fig. 17. Selective new build market evidence – Carlisle (Jan 2016 to March 2017)

<i>Address</i>	<i>Ave floor area (m²)</i>	<i>Number of market sales in period</i>	<i>Ave sale price per unit</i>	<i>Ave £ per m²</i>	<i>Ave £ per ft²</i>
Eden Gate, Houghton (Story Homes)	126	35	£280,067	£2,228	£207
The Grange, Dalston (Story Homes)	110	42	£233,544	£2,117	£197
The Ridings, Blackwell (Story Homes)	111	28	£207,489	£1,872	£174

High Wood, Lancaster (Story Homes)

- 5.21 Residential units continue to be built and offered for sale by Story Homes at High Wood (LA1 3FX), which forms part of a large-scale residential development comprising circa 450 new homes situated within the grounds of the former Lancaster Moor Hospital on the eastern edge of Lancaster City close to the M6 motorway:

Fig. 18. Site and Location Plan of High Wood development, Lancaster



Source: Site Plan – Story Homes ‘High Wood’ Brochure / Location Plan – Google maps

5.22 Fig. 16 (above) shows summary analysis of 47 sales of units at this site over the past 18 months (to June 2017). Further detailed analysis for these sold units is set out at *Appendix 2(i)*. Gross sale prices achieved range from £194,950 for 77m² (829ft²) terraced units to £356,950 for 146m² (1,572ft²) detached units. Details of asking prices for 11 units being marketed at this site with our analysis are set out below. The average unit size (disregarding 2.5 and 3 storey units) is significantly above average at 134m² / 1,443ft²:

Fig. 19. Asking Prices – High Wood, Lancaster (October 2017)

Unit type	Floor area (m ²)	Floor area (ft ²)	Asking price	Asking price (£ per m ²)	Asking price (£ per ft ²)
(Plot 141) <i>Mayfair</i> – 5 bed detached with double integral garage	177.0	1,905	£389,495	£2,314	£204.5
(Plot 2) <i>Balmoral</i> – 4 bed detached house with single integral garage	160.2	1,724	£355,000	£2,216	£205.9
(Plot 7) <i>Balmoral</i>	160.2	1,724	£355,000	£2,216	£205.9
(Plot 3) <i>Balmoral</i>	160.2	1,724	£349,950	£2,184	£203
(Plot 182) <i>Warwick</i> – 4 bed detached house with single integral garage	130.3	1,402	£329,995	£2,533	£235.4
(Plot 143) <i>Durham</i> – 4 bed detached house with integral garage	123.9	1,334	£304,995	£2,462	£228.6
(Plot 148) <i>Hailsham</i> – 3 bed terraced townhouse with integral single garage (2.5 storey)	120.6	1,298	£235,595	£2,056	£181.5
(Plot 150) <i>Hailsham</i> – 3 bed semi-detached townhouse with integral single garage (2.5 storey)	120.6	1,298	£235,595	£2,056	£181.5

(Plot 71) <i>Greenwich</i> – 4 bed detached house with single integral garage	117.1	1,261	£299,995	£2,519	£234
(Plot 180) <i>Hastings</i> – 3 bed semi-detached	88.7	955	£229,995	£2,594	£240.8
(Plot 181) <i>Hastings</i>	88.7	955	£229,995	£2,594	£240.8
Average Asking Price (currently released units)			£301,419	£2,291	£212.8
Average Asking Price (disregarding 2.5 / 3 storey units)			£316,046	£2,358	£219.1
Average assumed Net Price (exc 2.5 / 3 storey units) (5% discount on asking price)			£300,244	£2,240	£208.1



Source: Story Homes High Wood Brochure / Rightmove¹²

- 5.23 Story Homes are currently the most active housebuilder across Cumbria and North Lancashire. To provide further regional context, the Warwick house type features on a number of their active sites across this region. The table below shows current asking prices for this house type across nine current developments:

Fig. 20. Current Asking Prices – Warwick unit type across various sites (July to October 2017)

Site	Warwick house type
Strawberry Grange, Strawberry How Road, Cockermouth	£366,950
High Wood, Lancaster	£329,995
Edenholme Park, Cumwhinton, Nr Carlisle	£319,950
Eden Gate, Houghton, Nr Carlisle	£319,950
The Oaks, Clifton, Nr Penrith	£309,950
St Andrew's View, Low Road, Thursby, Nr Carlisle	£309,950
Crindledyke Farm, Kingstown, Nr Carlisle	£284,950
Cairns Chase, Moor Road, Stainburn, Nr Workington	£284,950
Edgehill Park, Whitehaven	£272,950
The Ridings, Blackwell, Nr Carlisle	£263,950*

* = No units of this type currently available on site. Figure relates to most recent sale price achieved

Quernmore Park, Lancaster (Barratt Homes)

- 5.24 Barratt Homes are currently on-site at Quernmore Park, Quernmore Road, LA1 3JT, on the site of the former Nightingale Hall Farm, to the immediate west of High Wood. This 128 unit scheme comprises a mix of two, three and four bed detached, semi-detached and mews homes. Asking prices for the different house types range between £205 and £269/ft².

Fig. 21. Site and Location Plan of Quernmore Park, Lancaster



Source: Barratt Homes 'Quernmore Park' Brochure

- 5.25 Details of asking prices for 13 units being marketed at this site with our analysis are set out below. The average unit size (disregarding 2.5 and 3 storey units) is 104m² / 1,122ft².

Fig. 22. Asking Prices – Quernmore Park, Barratt Homes (October 2017)

Unit type	Floor area (m ²)	Floor area (ft ²)	Asking price	Asking price (£ per m ²)	Asking price (£ per ft ²)
Cambridge (Plot 70) 4 bed detached	132.48	1,426	£383,995	£2,788	£269
Lincoln (Plot 50) 4 bed detached	116	1,249	£319,995	£2,756	£256
Lincoln (Plot 53) 4 bed detached	116	1,249	£322,995	£2,788	£259
Lincoln (Plot 67) 4 bed detached	116	1,249	£322,995	£2,788	£259
Guisborough (Plot 28) 4 bed detached	112.9	1,215	£302,995	£2,680	£249
Fawley (Plot 51) 4 bed semi-detached town house (2.5 storey)	111	1,195	£245,495	£2,207	£205
Chesham (Plot 66) 4 bed detached	107.6	1,158	£287,995	£2,680	£249

Tavistock (Plot 69) 4 bed detached	105.2	1,132	£289,995	£2,756	£256
Oakham (Plot 26) 4 bed semi detached	93.09	1,002	£229,995	£2,476	£230
Oakham (Plot 25) 4 bed semi detached	93.09	1,002	£221,995	£2,390	£222
Oakham (Plot 26) 4 bed semi detached	93.09	1,002	£221,995	£2,390	£222
York (Plot 21) 3 bed detached	87.14	938	£242,495	£2,788	£259
Barwick (Plot 27) 3 bed end terrace	77.76	836	£204,995	£2,637	£245
Average Asking Price (currently released units)			£276,764	£2,643	£245.5
Average Asking Price (disregarding 2.5 / 3 storey units)			£279,370	£2,681	£249.1
Average assumed Net Price (exc 2.5 / 3 storey units) (5% discount on asking price)			£265,402	£2,547	£236.7



Source: Source: Barratt Homes 'Quernmore Park' Brochure

Moor Park, Lancaster (P J Livesey)

- 5.26 There are also new build homes on offer by PJ Livesey at Moor Park, Quernmore Road, LA1 3SA, to the immediate south-east of High Wood, which comprise three, four and five bed detached, semi-detached and mews homes with asking prices starting at £239,950. Details of asking prices for four units being marketed at this site with our analysis are set out below. The average unit size is 140m² / 1,503ft²:

Fig. 23. Asking Prices – Moor Park, P J Livesey (October 2017)

<i>Unit type</i>	<i>Floor area (m²)</i>	<i>Floor area (ft²)</i>	<i>Asking price</i>	<i>Asking price (£ per m²)</i>	<i>Asking price (£ per ft²)</i>
Richmond, 4 bed detached with single detached garage	182.3	1,962	£459,950	£2,523	£234.4
The Somerford, 4/5 bed detached with single detached garage	155.2	1,670	£394,950	£2,545	£236.5
The Oakbrook, 4 bed semi-detached with single attached	127.8	1,376	£309,950	£2,425	£225.3

garage					
The Fairfield, 3 bed link-detached with single attached garage	93.2	1,003	£239,950	£2,575	£239.2
Average Asking Price (currently released units)			£351,200	£2,515	£233.7
Average assumed Net Price (5% discount on asking price)			£333,640	£2,390	£222

Riverside View, Lancaster (Redrow and Barratt Homes)

- 5.27 Riverside View, New Quay Road, LA1 5QW is a residential development by both Redrow and Barratt Homes on brownfield land adjacent to the River Lune, located to the west of Lancaster city centre. The Redrow element of the scheme comprises circa 400 homes, featuring a mix of house types. Details of asking prices for five units being marketed at this site with our analysis are set out below:

Fig. 24. Asking Prices – Riverside View, Redrow Heritage Homes (October 2017)

<i>Unit type</i>	<i>Floor area (m²)</i>	<i>Floor area (ft²)</i>	<i>Asking price</i>	<i>Asking price (£ per m²)</i>	<i>Asking price (£ per ft²)</i>
Canterbury, 4 bed detached	130.8	1,408	£329,995	£2,519	£234
Lancaster, 4 bed detached	109.5	1,179	£269,995	£2,466	£229
Stratford, 4 bed detached	106.3	1,144	£259,995	£2,443	£227
Hayeswater 1, 2 bed apartment	71.8	773	£134,995	£1880	£174.6
Hayeswater 2, 1 bed apartment	47.1	507	£104,995	£2,229	£207.1

- 5.28 The Barratt Homes element of the scheme also features a mix of house types. Details of asking prices for 12 units being marketed at this site with our analysis are set out below. The average unit size is 91m² / 975ft²:

Fig. 25. Asking Prices – Riverside View, Barratt Homes (October 2017)

<i>Unit type</i>	<i>Floor area (m²)</i>	<i>Floor area (ft²)</i>	<i>Asking price</i>	<i>Asking price (£ per m²)</i>	<i>Asking price (£ per ft²)</i>
Lincoln (Plot 122), 4 bed detached	114	1,227	£287,995	£2,526	£235
Lincoln (Plot 136), 4 bed detached	114	1,227	£287,995	£2,526	£235
Lincoln (Plot 141), 4 bed detached	114	1,227	£282,995	£2,482	£231
Tavistock (Plot 96), 4 bed detached with integral garage	105.2	1,132	£252,495	£2,400	£223

Tavistock (Plot 101), 4 bed detached with integral garage	105.2	1,132	£252,495	£2,400	£223
Tavistock (Plot 102), 4 bed detached with integral garage	105.2	1,132	£252,495	£2,400	£223
Barwick (Plot 86), 3 bed mid terrace	77.7	836	£183,995	£2,369	£220
Barwick (Plot 105), 3 bed mid terrace	77.7	836	£180,995	£2,336	£217
Bampton (Plot 93), 3 bed mid terrace	68.6	738	£172,995	£2,519	£234
Bampton (Plot 91), 3 bed mid terrace	68.6	738	£170,995	£2,497	£232
Bampton (Plot 2), 3 bed mid terrace	68.6	738	£170,995	£2,497	£232
Bampton (Plot 120), 3 bed semi-detached	68.6	738	£169,995	£2,476	£230
Average Asking Price (currently released units)			£222,203	£2,452	£227.9
Average assumed Net Price (5% discount on asking price)			£211,093	£2,330	£216.5

St George's Walk, Lancaster (Persimmon Homes)

- 5.29 In addition Persimmon Homes are marketing Phase 1 of their new build development St George's Walk, St George's Quay, LA1 1RD located adjacent to the River Lune, to the immediate west of Lancaster city centre. The scheme comprises circa 150 two, three and four bedroomed homes, including apartments. It should be noted that most of the available homes on this scheme are of three (or 2.5) floors. Such units will typically generate a lower asking price per m² / ft² than that of two storey units.

Fig. 26. Asking Prices – St George's Walk, Persimmon Homes (October 2017)

<i>Unit type</i>	<i>Floor area (m²)</i>	<i>Floor area (ft²)</i>	<i>Asking price</i>	<i>Asking price (£ per m²)</i>	<i>Asking price (£ per ft²)</i>
Croft (Plot 108), 4 bed semi-detached, int garage (3 storey)	109.1	1,174	£225,995	£2,077	£193
Croft (Plot 109), 4 bed semi-detached, int garage (3 storey)	109.1	1,174	£224,995	£2,067	£192
Runswick (Plot 110), 4 bed detached with integral garage (2.5 storey)	108.8	1,171	£234,495	£2,164	£201
Roseberry (Plot 111), 4 bed detached with integral garage (2 storey)	101.8	1,096	£239,995	£2,357	£219
Greyfriars (Plot 114), 3 bed mid-terraced (3 storey)	99.2	1,068	£214,995	£2,164	£201
Moseley (Plot 101 and 102),	69	739	£137,995	£2,013	£187

3 bed semi-detached (2.5 storey)					
2 bed apartment (Plot 120)	57.1	615	£118,500	£2,077	£193
2 bed apartment (Plot 118)	57.1	615	£116,500	£2,034	£189
2 bed apartment (Plot 116)	57.1	615	£114,500	£2,002	£186

Halton / Galgate (LA2) – New Build Residential Market Activity and Evidence

5.30 There have been 46 new build market sales across three sites within LA2 since January 2016. Further detailed analysis of each individual sale is set out at *Appendix 2(ii)*:

Fig. 27. Summary of new build market evidence – Halton / Galgate (Jan 2016 to June 2017)

Address	Ave floor area (m ²)	Market sales in period	Ave sale price per unit	Ave £ per m ²	Ave £ per ft ²
Town End Way / Waters Edge, Halton (Barratt Homes)	106	14	£211,855	£2,002	£186
Launds Field, Galgate (Persimmon Homes)	83	23	£193,821	£2,347	£218
The Silks, Galgate (Story Homes)	136	9	£284,506	£2,379	£221

Address	Ave floor area (m ²)	Number of market sales in period	Ave sale price per unit	Ave £ per m ²	Ave £ per ft ²
Totals / averages across all sites (See Note 1)					
Flatted units	49	2	£106,500	£2,174	£202
Semi-detached / Terraced units	65	10	£139,491	£2,562	£238
Detached units	111	22	£255,615	£2,314	£215
ALL UNITS	91	34	£212,689	£2,347	£218

Note 1 – Excluding 2.5 and three storey units.

Heysham (LA3) – New Build Residential Market Activity and Evidence

5.31 There have been 70 new build market sales across one scheme within LA3 since January 2014. Due to the lack of recent transactions we have analysed a longer time period than for LA1 and LA2. Further detailed analysis of each individual sale is set out at *Appendix 2(iii)*:

Fig. 28. Summary of new build market evidence – Heysham (Jan 2014 to June 2017)

Address	Ave floor area (m ²)	Market sales in period	Ave sale price per unit	Ave £ per m ²	Ave £ per ft ²
Millers Green, Mossgate Park, Heysham (Miller Homes)	90	70	£173,972	£1,927	£179

Address	Ave floor area (m ²)	Number of market sales in period	Ave sale price per unit	Ave £ per m ²	Ave £ per ft ²
Totals / averages across site (See Note 1)					
Flatted units	53	8	£89,838	£1,679	£156
Semi-detached / Terraced units	80	8	£154,334	£1,927	£179
Detached units	95	46	£192,719	£2,024	£188
ALL UNITS	88	62	£212,689	£1,981	£184

Note 1 – Excluding 2.5 and three storey units.

Morecambe (LA4) – New Build Residential Market Activity and Evidence

5.32 There have been 50 new build market sales across one scheme within LA4 since January 2014. Due to the lack of recent transactions we have analysed a longer time period than for LA1 and LA2. Further detailed analysis of each individual sale is set out at *Appendix 2(iv)*:

Fig. 29. Summary of new build market evidence – Morecambe (Jan 2014 to June 2017)

Address	Ave floor area (m ²)	Market sales in period	Ave sale price per unit	Ave £ per m ²	Ave £ per ft ²
The Elms, Bare (Stainton Bespoke Homes)	92	43	£215,465	£2,347	£218
George Mews, Torrisholme (Fellside Homes)	78	7	£156,272	£2,002	£186

<i>Address</i>	<i>Ave floor area (m²)</i>	<i>Number of market sales in period</i>	<i>Ave sale price per unit</i>	<i>Ave £ per m²</i>	<i>Ave £ per ft²</i>
Totals / averages across sites (See Note 1)					
Flatted units	78	7	£156,272	£2,002	£186
ALL UNITS	78	7	£156,272	£2,002	£186

Note 1 – Excluding The Elms, as not considered representative of mainstream developments

Carnforth / Bolton-le-Sands (LA5) – New Build Residential Market Activity and Evidence

5.33 There have been 29 new build market sales across three sites within LA5 (excluding sites within the Arnside and Silverdale AONB) since January 2016. Further detailed analysis of each individual sale is set out at *Appendix 2(v)*:

Fig. 30. Summary of new build market evidence – Carnforth / Bolton-le-Sands (Jan 2016 to June 2017)

<i>Address</i>	<i>Ave floor area (m²)</i>	<i>Market sales in period</i>	<i>Ave sale price per unit</i>	<i>Ave £ per m²</i>	<i>Ave £ per ft²</i>
The Orchards, Bolton-le-Sands (Oakmere Homes)	114	26	£311,940	£2,734	£254
Oxford Court, Carnforth (Daffodil Homes)	66	3	£106,667	£1,615	£150

<i>Address</i>	<i>Ave floor area (m²)</i>	<i>Number of market sales in period</i>	<i>Ave sale price per unit</i>	<i>Ave £ per m²</i>	<i>Ave £ per ft²</i>
Totals / averages across all sites					
Flatted units	66	3	£106,667	£2,174	£150
Semi-detached / Terraced units	76	3	£194,967	£2,573	£239
Detached units	119	23	£327,198	£2,745	£255
ALL UNITS	109	29	£290,705	£2,659	£247

Arkholme / Cowan Bridge (LA6) – New Build Residential Market Activity and Evidence

- 5.34 There have been not been any recorded relevant new build market sales within the area of the District falling within the LA6 postcode area since January 2016.

The Sheiling, Arkholme (Russell Armer)

- 5.35 Russell Armer Homes are currently undertaking a 13 unit new build development within the village of Arkholme, within the Lune Valley. The scheme, involving the re-development of the site of a former bungalow along with an adjacent former agricultural paddock, features a mix of nine detached three and four bedroomed units and four affordable homes. Details of asking prices for units being marketed at this site with our analysis are set out below. The average available unit size is 133m² / 1,432ft²:

Fig. 31. Asking Prices – The Sheiling, Russell Armer (September 2017)

<i>Unit type</i>	<i>Floor area (m²)</i>	<i>Floor area (ft²)</i>	<i>Asking price</i>	<i>Asking price (£ per m²)</i>	<i>Asking price (£ per ft²)</i>
The Condor A (Plot 8), 4 bed detached with single integral garage	142	1,528	£429,950	£3,028	£281.4
The Condor B (Plot 9), 4 bed detached with single integral garage	142	1,528	£424,950	£2,993	£278.1
The Hindburn, (Plot 2), 3 bed detached with single integral garage	115	1,238	£349,950	£3,043	£282.7
Average Asking Price (currently released units)			£401,617	£3,020	£280.6
Average assumed Net Price (5% discount on asking price)			£381,536	£2,869	£266.6

Burr Tree Gardens, Cowan Bridge (Applethwaite Homes)

- 5.36 Applethwaite Homes are currently undertaking an 18 unit new build development within the hamlet of Cowan Bridge, in the north-eastern corner of the District on a site adjacent to the A65 between Kirkby Lonsdale and Ingleton. The scheme features a mix of two, three and four bedroomed units, including seven affordable homes. Details of asking prices for unit types being marketed at this site with our analysis are set out below. The average size across the available unit types is 85m² / 915ft²:

Fig. 32. Asking Prices – Burr Tree Gardens, Applethwaite (October 2017)

<i>Unit type</i>	<i>Floor area (m²)</i>	<i>Floor area (ft²)</i>	<i>Asking price</i>	<i>Asking price (£ per m²)</i>	<i>Asking price (£ per ft²)</i>
Casterton, 2 bed semi-detached / terraced	67	716	£185,000	£2,781	£258.4
Hutton, 3 bed end terraced	80	866	£210,000	£2,610	£242.5
Barbon, 3 bed end terraced	80	866	£210,000	£2,610	£242.5
Farleton, 3 bed detached	85	914	£215,000	£2,532	£235.2
Whittington, 4 bed detached with garage	113	1,213	£295,000	£2,618	£243.2
Average Asking Price (currently released units)			£223,000	£2,623	£243.7
Average assumed Net Price (5% discount on asking price)			£211,850	£2,492	£231.5

Comment on Residential Transactional Analysis

- 5.37 We take the view that the above analysis of new build house price transactions and asking prices (see 5.17 to 5.36) reiterates the trends seen in house price variations across the District as described above (5.12 to 5.16). The principal settlement of Lancaster currently achieves higher values than Morecambe and Heysham for equivalent house types. In contrast, some rural village locations are capable of achieving significantly higher values.
- 5.38 Informed by the above analysis and our long-standing experience of the local residential market, further commentary is provided in Chapter 7 on the respective market value assumptions adopted within our viability testing of hypothetical site-type scenarios across the District (see 7.12 and 7.13).

Land Price Analysis

- 5.39 Asking prices for development sites currently being marketed vary widely across the District:

Fig. 33. Land asking prices in Lancaster District (September 2017)

Address	Description	Area (acres)	Sale Price / Date	Price per acre
New Quay Road Lancaster LA1 5UZ	Freehold site with outline Planning permission for 12 properties.	0.5	£450,000 (Asking)	£900,000
Plot, Sunny Hill Westbourne Rd Lancaster LA1 5LJ	Planning permission granted For 5 bedroom detached Dwelling.	0.25	£250,000 (Asking)	£404,860

Land at St Wilfred's Hall Foundry Lane Halton Lancaster LA2 6LT	Residential building land with Outline planning consent For four detached properties	1.16	£290,000 Plus (Asking)	£336,400
Land at Back Lane Carnforth Lancashire LA5 5QU	Freehold land extending to 0.99 acres, planning permission For 16 dwellings	0.99	£48,000 (Asking)	£48,485

Source: Rightmove 2017

5.40 The table below details recent transactional evidence for residential development sites across the District and has been obtained from HM Land Registry (and therefore in the public domain). It can be seen that that transactions have been relatively limited and that land values are diverse:

Fig. 34. Summary of recent residential land transactional evidence – Lancaster District (2013 to 2017)

Name of site	Purchase date	Price	Apx Net acres	Price per net acre	Comment
Hornby Road, Caton, LA2 9JA – (Mulberry Homes)	Feb 2017	£1,680,000	2.71	£619,926	30 units with 30% affordable housing. Brownfield site (former S J Bargh Ltd transport depot site) within village in Forest of Bowland AONB.
Moor Platt, Caton, LA2 9QJ – (Persimmon Homes)	Dec 2013	£1,225,000	2.058	£595,238	33 units with 30% affordable housing. Demolition of existing 2 storey disused care home and the erection of 6 two-bed houses, 15 three-bed houses and 12 four-bed houses (density 16 units per acre) within village in Forest of Bowland AONB.

The Sheiling, Kirkby Lonsdale Road, Arkholme, LA6 1BA – (<i>Russell Armer Homes</i>)	Feb 2016 April 2015	£700,000	1.35	£518,519	13 units with 31% affordable housing. Site within village protected by Conservation area. 30% of site area was formally a private residence (bungalow), 70% of site was agricultural paddock.
Carnforth Brow, North Road, Carnforth – (<i>Loxam Riley</i>)	Nov 2015	£390,000	0.87	£448,276	Urban edge 58greenfield. Six large detached dwellings. No affordable housing.
Coastal Road, Bolton-le-Sands (Phase One) (‘The Orchards’) – (<i>Oakmere Homes</i>)	Nov 2014	£1,020,000	3.11	£327,974	Urban edge 58greenfield. 37 units with 30% affordable housing.
Burr Tree Meadow, Cowan Bridge – (<i>Applethwaite Homes</i>)	Dec 2016	£285,000	1.2	£237,500	Village edge 58greenfield. 18 units with 39% affordable housing. Abnormal costs of circa £300k.
Stoney Lane, Galgate (‘The Silks’) – (<i>Story Homes</i>)	Aug 2015	£1,400,000	6.64	£210,843	Village edge 58greenfield. 71 units with 39% affordable housing.
Forge Weir View, Low Road, Halton – (<i>Wrenman Homes</i>)	July 2017	£1,600,000	7.83	£204,342	Village edge 58greenfield. 60 units with 17% affordable housing. Abnormal costs of circa £1.5M.

Note: 1 Acre = 0.404686 hectares

- 5.41 In the context of the above evidence, adopted local and national planning policy and our ongoing local knowledge and experience of Lancaster District and the wider local residential land market we take the high-level view that a benchmark greenfield land value of between £250,000 and £425,000/net developable acre is appropriate for sites (without any significant abnormal costs) within the District at the present time (see 7.21 below for further details).

5.42 Clearly, with respect to any future site-specific viability testing, the appropriate land value attributable to each case must be considered on its own merits in the context of relevant factors and circumstances.

5.43 To provide an idea of regional context, the table below sets out a selection of transactional evidence of residential land from across Cumbria and North Lancashire (other than Lancaster District), obtained from HM Land Registry:

Fig. 35. Summary of residential land transactional evidence – Cumbria and North Lancashire (2011 to 2017)

Name of site	Purchase date	Price	Apx Net acres	Price per net acre	Comment
SOUTH LAKE LAND DISTRICT (£350 to £400k benchmark for greenfield sites on edge of Kendal)					
Land adjacent to Underhill, Burton Road, Oxenholme (<i>Oakmere Homes</i>)	May 2017	£441,000	1.9	£231,775	17 units (5 affordables) Greenfield / village infill
Kendal Parks Road – Phase 1 (<i>Story Homes</i>)	Feb 2016	£1,000,000	4.17	£239,808	70 units (24 affordables) Greenfield / urban edge
Land adj Value View, Pennington, Ulverston (<i>D & E Wood Developments</i>)	Dec 2014	£300,000	0.75	£400,000	5 units (2 affordables). Windfall / rural in-fill
Land off Allithwaite Road ('Oversands View'), Kents Bank, Grange-over-Sands (<i>Russell Armer</i>)	Oct 2014	£1,495,000	3.94	£379,442	42 units (33% affordable housing). Greenfield scheme on edge of village (Average value of 14 non-bungalow market units sold 01/01/16 to 28/02/17 = £263/ft²)

Vicarage Dr, Kendal (<i>Russell Armer</i>)	Oct 2014	£380,000	1.01	£383,800	15 units (5 affordables). Windfall / urban in-fill
Natland Mill Beck Farm, Kendal (<i>Story Homes</i>)	June 2014	£2,180,000 + cost of building farmhouse = say £2,500,000	7.4	£337,800	76 units (26 affordables). Greenfield / urban edge
Dale Street Infant School, Ulverston	August 2011	£105,000	0.45	£233,333	8 units (0 affordables). Brownfield – demolition of former school with replacement by new build dwellings
BARROW DISTRICT					
Site of Former Bevan House Elderly Persons Home (EPH), Stackwood Ave, Barrow	Mar 2017	£275,000	0.72	£381,944	18 units (12 semi- detached and 6 terraced houses – all 3 to 4 bed) (0 affordables). Brownfield – demolition of former EPH with replacement by new build dwellings
Site of Former Rock Lea Elderly Persons Home (EPH), Abbey Road, Barrow	Nov 2015	£350,000	1.03	£339,806	10 'executive' units (4 to 6 bed detached houses) (0 affordables). Brownfield – demolition of former EPH with replacement by new build dwellings
Site of Former Park View School, Barrow	2014	£900,000	4.62	£194,805	63 'executive' units (0 affordables). Brownfield – demolition of former school (<i>Net site area assumes 80% gross to net ratio</i>)
Site of Former Thornccliffe School, Barrow	2014	£875,000	3.08	£284,091	40 'executive' units (0 affordables). Brownfield – demolition of former school (<i>Net site area</i>)

					<i>assumes 80% gross to net ratio)</i>
EDEN DISTRICT (£300 to £325k per net acre benchmark for greenfield sites on edge of Penrith)					
Land at Salkeld Rd, Penrith (<i>Story Homes</i>)	March 2017	£2,925,000	9.16	£319,323	Circa 100 unit scheme Greenfield / urban edge (23% affordable housing)
Land at Town End, Clifton, Penrith (<i>Story Homes</i>)	Oct 2016	£1,891,236	6.67	£283,544	54 unit scheme Greenfield scheme in village (30% affordable housing)
Land at Carleton Heights, Penrith (<i>Persimmon Homes</i>)	June 2015	£1,112,000	3.35	£331,940	Phase 1 of a 560 units scheme – 55 units (16 affordables). Greenfield / urban edge
Land at Elm Close, High Hesketh (<i>McManus Builders</i>)	July 2014	£611,000	1.73	£353,179	24 units (11 affordables). Greenfield scheme in village
Land off Scaur Lane ('The Meadows'), Lazonby (<i>Story Homes</i>)	June 2014	£1,230,000	4.03	£305,211	48 units (14 affordables). Greenfield scheme in village (Average value of 11 market units sold 01/07/15 to 31/07/16 = £203/ft²)
CARLISLE DISTRICT (£150k to £300k per net acre benchmark for greenfield sites across Carlisle District)					
Carleton Clinic, Cumwhinton Rd, Carlisle (<i>Taylor Wimpey</i>)	May 2016	£2,991,451	14.13	£211,643	189 units. Greenfield / urban edge

The Ridings, Durdar Rd, Blackwell (Phases 1 and 2 only) (<i>Story Homes</i>)	Jan 2016	£2,178,451	8.85	£246,046	108 units (from a total for overall scheme of 318). Greenfield / urban edge (Average value of 28 market units sold 01/01/16 to 31/03/17 = £174/ft²)
	Feb 2015				
	Mar 2014				
The Grange, Townhead Rd, Dalston (<i>Story Homes</i>)	Jan 2016	£1,510,000	10.06	£299,289	121 units Greenfield / village (Average value of 42 market units sold 01/01/16 to 31/03/17 = £197/ft²)

6. Commercial Market Context

Commercial Market Review

National Overview

- 6.1 According to the Q1 2017 RICS UK Property Market Chart Book, commercial headline rents and capital values are expected to grow over the next 12 months across the office, industrial and retail sectors, with tenant demand increasing for the third consecutive quarter.
- 6.2 In London and the regions, the industrial sector had the strongest performance to date, whilst the office and retail sectors were the weaker markets demonstrating lower take up levels.
- 6.3 Industrial availability has recently dropped and on this basis both prime and secondary rents are likely to rise.
- 6.4 Prime office rents are forecast to increase, albeit less so in secondary locations. Projections for prime and secondary space in London remain negative, with low rental expectations.
- 6.5 The retail market has mixed forecasts, with prime rents to experience marginal growth, but this is unlikely for secondary retail space. Investment supply has declined to a lesser extent in the retail market compared to the office and industrial sectors.
- 6.6 Investment enquiries have been active during Q1, with increased demand being reported by respondents. Each of the commercial sectors, particularly industrial, have experienced demand from overseas investors. Northern Ireland was the only UK area to decline in foreign investment enquiries.
- 6.7 The RICS also publishes a quarterly commercial market survey. The most recent edition is the Q2 2017 study and provides an updated position on the commercial market from the Chart Book above. In summary:
- Rental expectations were lower in office and retail sectors due to falling occupier demand for these property types across the UK; however there has been some growth in industrial rents.
 - Availability of space grew for retail, remained steady for offices and declined for industrial property.
 - Capital values are expected to increase, albeit modestly, for prime assets. The secondary retail market is the only exception.

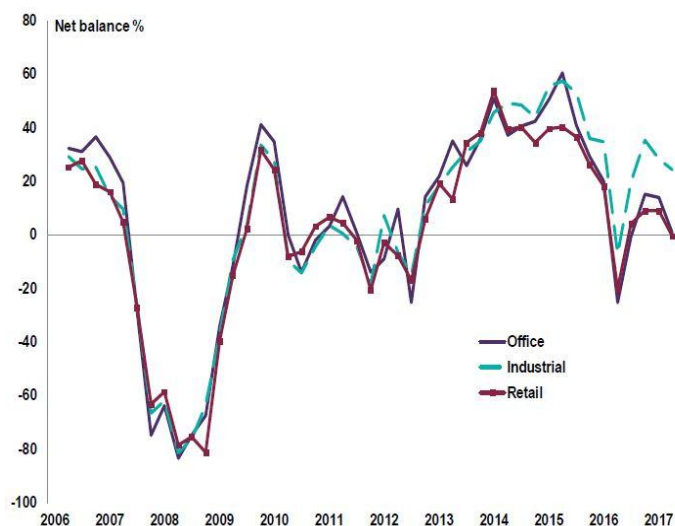
Fig. 36 – Rental Expectations by Sector



Source: RICS Commercial Market Survey Q2 2017

- 6.8 As shown above, in Q2 rental growth can be seen across all sectors, apart from secondary retail where rents are continuing to decline to a larger extent than in Q1.
- 6.9 Across the UK, the headline investment demand indicator continues to remain positive in virtually all areas; the figure below shows investor requirements by sector:

Fig. 37 Investor Requirements by Sector



Source: RICS Commercial Market Survey Q2 2017

6.10 Looking more specifically at the UK Retail Market, Knight Frank's Q1 2017 Market Snapshot indicates:

- Prime rents – stable but growth possible in prime locations
- Prime yields – inward pressure in prime high streets and stable across retail warehouse market. Outward pressure in secondary shopping centre sub-sector
- Supply – demand continues to outstrip supply in the best locations
- Demand – concentration of demand in prime locations while stable in secondary.

Office Market

Regional Office Market

- 6.11 The current average asking rent for offices in Lancashire is £16.29/ft², with an availability rate of 13.7% which equates to 9,164,031ft² of office space. Offices in Lancashire spend an average of 13.4 months on the market.
- 6.12 During the last 12 months 1,972,632ft² of office accommodation has been leased, however there is a 621,437ft² absorption rate which indicates that stock supply levels are high.
- 6.13 Based on lease transactions over the last three years, asking and achieved rents have ranged from £1 to £234/ft² and size of accommodation leased has also varied considerably, between, between 69 and 165,005ft².
- 6.15 With regard to sales figures, the average rate was £208/ft² during the last year and the average yield was 7.4% which is in line with the 5 year average of 7.6%.

Local Office Market

- 6.16 LSH has used *Costar* and *Egi* to ascertain levels of take up and availability rates within Lancaster District for office premises. The following table shows current availability:

Fig. 38. Current office availability in Lancaster District

Location	Description	Size (ft ²)	Characteristics	Tenure	Rent (per ft ²)
Building 5 Lancaster Business Park Caton Road LA1 3RQ	Office Ground and 1 st floors	4,244	Built in 2007	Leasehold	Ground £13.50 First £13.00
Building 11	Office 2 nd floor	5,006	Built in 2007	Leasehold	£11.50
HQ Building Lancaster LA1 3UA	Office Ground and 1 st	6,000	Built in 2010	Leasehold	£9.16

Location	Description	Size (ft ²)	Characteristics	Tenure	Rent (per ft ²)
Design and Build Lancaster Business Park	Office Ground and 1 st	60,000	Proposed	Leasehold	Withheld
Castle Chambers 2-8 China Street Lancaster LA1 1EX	Office Second floor	420	Built in 1901	Leasehold	£14.28
CityLab 4-6 Dalton Square	Office 1 st floor	322 – 4,185	Built in 1850 And renovated in 2006	Leasehold	Withheld
Holmere Hall Dykes Lane Carnforth LA5 9SN	Office Ground Floor	1,536	Built in 2007	Leasehold	£11.07
Willow Mill Lancaster LA2 9RA	Office 1 st and 2 nd	1,518	Built in 1790	Leasehold	£11.00
Telephone House Fenton Square Lancaster LA1 1AB	Office 1 st and 2 nd	4,179	Built in 1966	Leasehold	£3.14 - £7.87
7. Hampson Lane Lancaster LA2 0HY	Office Ground and 1 st	2,082	Built in 1965	Leasehold	Withheld
The Meadows Hampson Green Lancaster LA2 0HY	Office Ground	3,507	Built in 1975	Leasehold	£12.54
Units A-E Spring Gardens 70 King Street Lancaster LA1 1RE	Office 1 st	3,374	Built in 2011	Leasehold	£8.97
The Storey Meeting House Lane Lancaster LA1 1TH	Office 2 nd	13,729	Built in 1887	Leasehold	Withheld
Mossgate Medical Centre Middleton Way Morecambe LA3 2LL	Office 2 nd	3,751	Built in 2012	Leasehold	£10.00
Northgate House White Lund Industrial Estate Northgate Morecambe LA3 3BJ	Office 1 st	6,735	Built in 2004	Leasehold	£8.00

Location	Description	Size (ft ²)	Characteristics	Tenure	Rent (per ft ²)
34-36 Northumberland St Morecambe LA14 4AY	Office Ground / 1 st / 2 nd / 3 rd	1,346	-	Leasehold	£5.57
Brunel House 9 Penrod Way Morecambe LA3 2UZ	Office Ground and 1 st	2,083	Built in 1990	Leasehold	£12.00
Unit 1-5 Waterview White Cross Lancaster LA1 4XQ	Office Ground	2,715	Built in 1993	Leasehold	£10.00 - £12.56

- 6.17 Within Lancaster District the average rent for office properties is £10.41/ft² which is broadly in line with the five year average of £10.13/ft². There have not been enough investment deals to ascertain an average yield.

Fig. 39 Average office asking rents Lancaster District



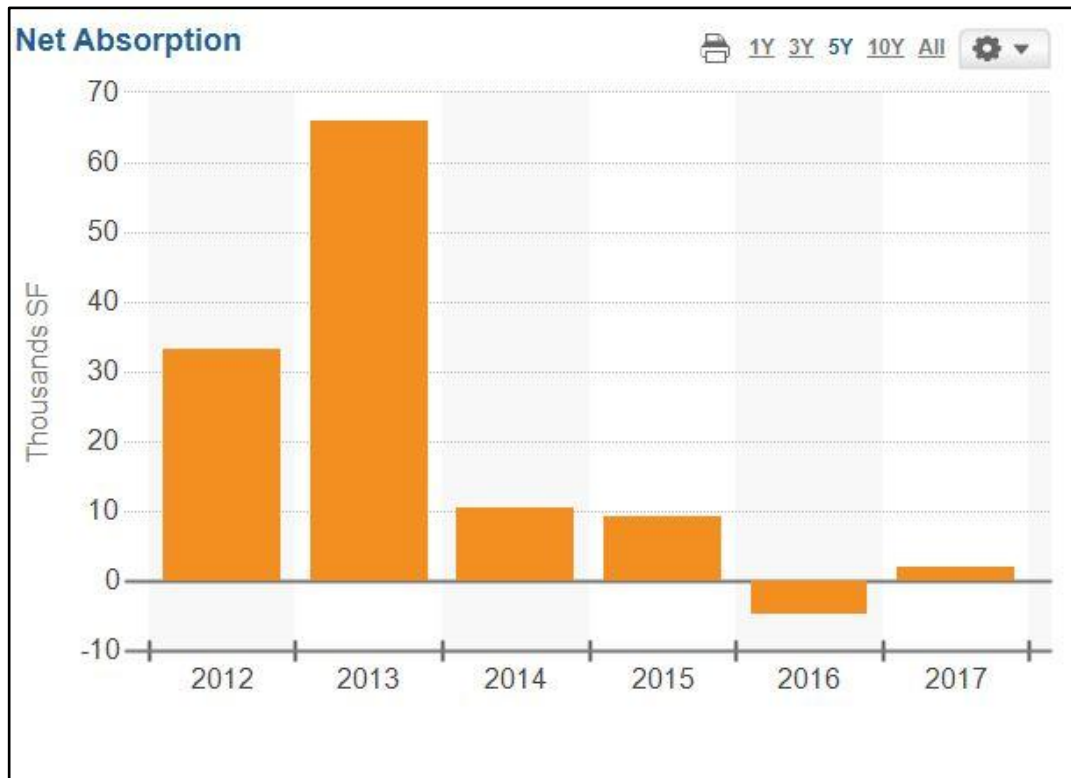
- 6.18 There is an availability rate of 6.9% which equates to 52,662ft² of office accommodation.

Fig. 40 Available office space Lancaster District



- 6.19 Over the last twelve months 3,692 ft² of office space has been leased, compared to the much higher five year average of 16,718ft². The absorption rate was minus 1,769ft², which is considerably lower than the five year average of 15,698ft². The negative absorption rate indicates that there is a lack of demand for available office space in Lancaster District. This could be because there is a lack of demand for office accommodation, although feedback the Council receives from local occupiers suggests that the lack of take-up stems from a lack of suitable office accommodation. Offices spend on average 9.4 months on the market before being let.

Fig. 41 Net absorption of office space Lancaster District



Industrial Market

Regional Industrial Market

- 6.20 The current average asking rent for industrial properties in Lancashire is £4.36/ft², with an availability rate of 7.5% which equates to 16,502,354ft² of industrial space.
- 6.21 Based on deals that have taken place over the last three years, both asking and achieved rents have varied between £1.64 and £20.41/ft² while size of space leased has ranged between 100ft² and 420,000ft².
- 6.22 Over the last 12 months there has been a 2,558,524ft² absorption rate, with 5,899,356ft² of industrial space leased in total. This indicates that there are high levels of stock available throughout the region. Industrial properties spend an average of 8.2 months on the market.
- 6.23 Having regard to the sales market, over the last year the average sale price was £33/ft², which is significantly lower than the asking price of £53/ft². The average yield achieved was 7.7%.

Local Industrial Market

6.24 LSH has used *Costar* and *Egi* and own market data and analysis to ascertain levels of take up and availability rates within the Lancaster District for industrial property. The table below shows the current availability:

Fig. 42. Current industrial availability in Lancaster District

Location	Size (ft ²)	Characteristics	Tenure	Rent (per ft ²)
10 Hornbeam Road Lancaster LA1 5TQ (Ground floor Industrial)	2,286	Built in 1980	Leasehold	£4.15
Unit 1 Northgate Business Park Middlegate Morecambe LA3 3SZ (Ground floor Industrial with mezzanine)	15,539	Built in 1980	Leasehold	£3.22
Former TDG Distribution Keer Park Warton Road Carnforth LA5 9EX (Industrial warehouse)	204,208	Built in 1972	Leasehold	Withheld
Units 1-3 Bridgeside Industrial Park Warton Road Carnforth LA5 9EX (Industrial warehouse)	40,946	Built in 1975	Leasehold	£0.37
Bay Horse Industrial Unit Whams Lane Lancaster LA2 9AB (Industrial warehouse)	5,907	Built in 2000	Leasehold	£7.19
Caton Road Lancaster LA1 3PE (Industrial B1/B2/B8)	1,300	Second Hand Grade B	Leasehold	£6.15
Caton Road (Industrial B1/B2/B8)	1,450	Second Hand Grade B	Leasehold	£4.14
Caton Road (Industrial B1/B2/B8)	22,835 Unit 2/31	Second Hand Grade B	Leasehold	£2.19
Lansil Industrial Estate Lansil Walk Lancaster LA1 3PQ (Industrial B1/B2/B8)	1,450	Second Hand Grade B	Leasehold	£4.14

Location	Size (ft ²)	Characteristics	Tenure	Rent (per ft ²)
Caton Road Business Park Caton Road Lancaster LA1 3QY (Industrial B1/B2/B8)	129,332	Second Hand Grade B	Freehold	£48.33 (on capital value)
Cold Store Whams Lane Lancaster LA2 9AB (Industrial B1/B2/B8)	5,907	Second Hand Grade B	Leasehold	Not quoted
Fowlers Depot Mellishaw Lane Morecambe (Industrial B1/B2/B8)	20,021	Second Hand Grade B	Freehold	£37.46 (on capital value)
Garages to the Rear of Primrose Street Morecambe LA4 5LS (Industrial B8)	1,367	Second Hand Grade B	Freehold	£292.61 (on capital value)
Warton Road Carnforth LA5 5LS (Industrial B1/B2/B8)	9,456	Second Hand Grade B	Leasehold	£1.59
Warton Road Carnfoth LA5 9EX (Industrial B1/B2/B8)	9,992 Unit 1c	Second Hand Grade B	Leasehold	£3.50
Keer Park Warton Road Carnforth LA5 9EX (Industrial B1/B2/B8)	17,729 Unit C	Second Hand Grade B	Leasehold Or Freehold	Not quoted
Keer Park (Industrial B1/B2/B8)	31,736 Unit E	Second Hand Grade B	Leasehold Or Freehold	Not quoted
Keer Park (Industrial B1/B2/B8)	32,314 Unit A	Second Hand Grade B	Leasehold Or Freehold	Not quoted
Keer Park (Industrial B1/B2/B8)	36,581 Unit B	Second Hand Grade B	Leasehold Or Freehold	Not quoted
Keer Park (Industrial B1/B2/B8)	43,663	Second Hand Grade B	Leasehold Or Freehold	Not quoted
Keer Park (Industrial B8)	- Open Storage G	-	Leasehold	Not quoted
Keer Park (Industrial B8)	- Open Storage F	-	Leasehold	Not quoted

Location	Size (ft ²)	Characteristics	Tenure	Rent (per ft ²)
Whitegate Business Centre Whitegate Morecambe LA3 3BS (Industrial B1/B2/B8)	Unit 8	Second Hand Grade B	Leasehold	£4.12
Ladies Walk Lancaster LA1 3NX (Industrial B1/B2/B8)	2,946 Unit 33	Second Hand Grade B	Leasehold	£7.25
Ladies Walk (Industrial B1/B2/B8)	2,497	Second Hand Grade B	Leasehold	Not quoted
Burrow Rural Workshops Woodman Lane Carnforth LA6 2RL (Industrial B1/B2/B8)	2,560 Unit 4	Second Hand Grade B	Freehold	£900,000 (Capital value)
Whitegate Business Centre Morecambe LA3 3BS (Industrial B1/B2/B8)	4,073 Unit 2	Second Hand Grade B	Leasehold	£2.62
Northgate Business Park Northgate Morecambe LA3 3BB (Industrial B1/B2/B8)	15,539 Unit 1	Second Hand Grade B	Leasehold	£3.22
Whitegate Morecambe LA3 3BT (Industrial B1/B2/B8)	16,000	Second Hand Grade B	Leasehold	Not quoted
New Quay Road Lancaster LA1 5QP (Industrial B1/B2/B8)	42,000	Second Hand Grade B	Leasehold	Not quoted
Gateway Southgate Morecambe LA3 3PB (Industrial B1/B2/B8)	180,422	Second Hand Grade B	Freehold	£5,970,000 (Capital value) £33.09ft ² (on capital value)
Mellishaw Lane Fowlers Depot Morecambe LA3 3DU (Industrial warehouse)	23,358	Built in 1980	Freehold	£32 (on capital value)
Unit A Warton Road Carnforth LA5 9EX (Industrial warehouse)	32,314	Built in 1972	Freehold/ Long Lease	Withheld
Unit B Warton Road (Former TDG Distribution) (Industrial warehouse)	36,581	Built in 1972	Freehold/ Long Lease	Withheld

Location	Size (ft ²)	Characteristics	Tenure	Rent (per ft ²)
Unit C Warton Road (Former TDG Distribution) (Industrial warehouse)	17,729	Built in 1972	Freehold/ Long Lease	Withheld
Unit D Warton Road Keer Park (Industrial warehouse)	43,663	Built in 1972	Freehold/ Long Lease	Withheld
Unit D Warton Road Keer Park (Industrial warehouse)	31,726	Built in 1972	Freehold/ Long Lease	Withheld
Plot F, Warton Road Keer Park (Former TDG Distribution) (Industrial warehouse)	70,132	Built in 1972	Freehold/ Long Lease	Withheld
Plot G, Warton Road Keer Park (Former TDG Distribution) Unit Open Storage Land G (Industrial warehouse)	29,185	Built in 1972	Freehold/ Long Lease	Withheld
Woodman Lane Burrow Rural Workshops Carnforth LA6 2RL (Industrial warehouse)	2,560	Built in 1985	Freehold/ Long Lease	£33 (on capital value)

6.25 The following graph shows that in the district of Lancaster the average rent for industrial premises is £3.45/ft², which is in line with the five year average of £3.83/ft². There have not been enough investment deals to ascertain an average yield, although the five year average was 10%.

Fig. 43 Average industrial asking rents Lancaster District



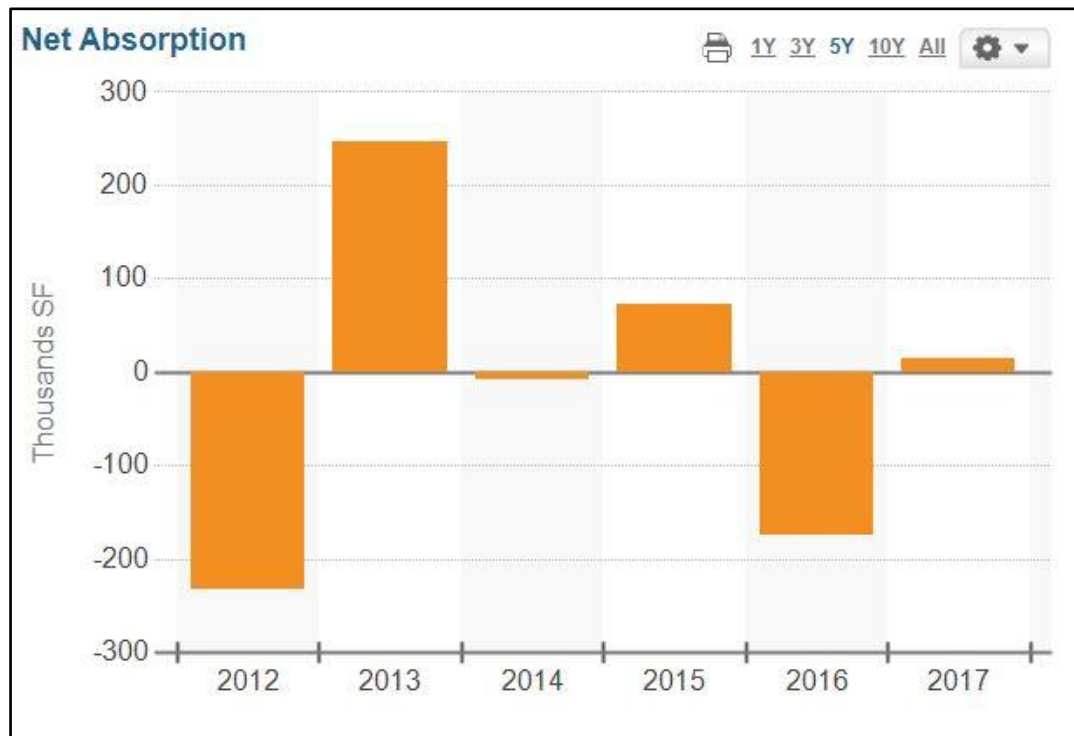
- 6.26 There is an availability rate of 12.6% which equates to 273,754ft² of industrial accommodation.

Fig. 44 Available industrial space Lancaster District



- 6.27 Over the last twelve months there has been 41,387ft² industrial space leased, compared to the similar five year average of 44,083ft². The absorption, or take up rate was 9,100ft² which is significantly higher than the five year average of minus 25,185ft² and indicates that take up rates are higher than supply levels. Industrial properties spend on average 5.0 months on the market before being let.

Fig. 45 Net absorption of office space Lancaster District



Retail Market

Regional Retail Market

- 6.28 The Lancashire retail market has seen a high number of transactions take place throughout the region during the last three years. Amongst these transactions, rents have varied widely and size of space leased has ranged from 76ft² to 104,000ft².
- 6.29 The current average asking rent for retail space in Lancashire is £16.34/ft² and there is an availability rate of 5.4%, which equates to 4,525,509ft².
- 6.30 Over the last 12 months approximately 1,541,889ft² of retail space has been leased; with absorption rate of 297,210ft² which indicates that demand levels are high compared to available space. On average retail accommodation spent 8 months on the market.
- 6.31 Having regard to the sales market, over the last year the average sale price was £192/ft², higher than the average asking price of £180/ft², whilst the average yield achieved was 8.6% for investment transactions.

Local Retail Market

6.32 LSH has used *Costar* and *Egi* and own market data and analysis to ascertain levels of take up levels and availability rates within the Lancaster District for retail premises. The table below shows the current availability:

Fig. 46. Current retail availability in Lancaster District

Location	Description	Size (ft ²)	Characteristics	Tenure	Rent (pa / per ft ²)
63-65 Market Street Lancaster LA1 1JG	Retail – Bank	1,876	-	Leasehold	Withheld
Marketgate Shopping Centre Lancaster LA1 1JB	Retail – Shopping Centre	15,715	Built in 1999	Leasehold	£8,500 – £149,000 (annual rent)
41-45 North Road Lancaster LA1 1NS	Ground floor retail	1,100	Built in 1880	Leasehold	£7,000
Units 2 & 2A Central Drive Morecambe LA4 4DW	Ground floor retail	2,900	Built in 1995	Leasehold	£76,000
13-15 Chapel Street Lancaster LA1 1NZ	Ground floor retail	4,114	Built in 1970	Leasehold	£87,406
69 North Road Lancaster LA1 1LU	Ground floor retail	345	Built in 1985	Leasehold	£8,000
40 Penny Street Lancaster LA1 1XN	Ground floor retail	564	Built in 1920	Leasehold	£35,000
114-118 Penny Street Lancaster LA1 1YE	Ground floor retail	3,920	Built in 2017	Leasehold	Withheld
Station Building 1 Warton Road Carnforth LA5 9BS	Ground floor retail	279	Built in 1900	Leasehold	£7,000
4-6 Cheapside Lancaster LA1 1LZ	Ground floor retail	540	Built in 1854	Leasehold	£30,000
Castle Chambers 2-8 China Street Lancaster LA1 1EX	Ground floor retail	675	Built in 1901	Leasehold	£5,500
27 Church Street Lancaster LA1 1LP	Ground floor retail	1,024	Built in 1891	Leasehold	£16,000

Location	Description	Size (ft²)	Characteristics	Tenure	Rent (pa / per ft²)
39 Church Street Lancaster LA1 1LP	Ground floor retail	527	Built in 1900	Leasehold	£12,000
9 Common Garden Street Lancaster LA1 1XD	Ground floor retail	331	Built in 1910	Leasehold	£13,000
40 Euston Road Morecambe LA4 5DD	Ground floor retail	1,661	-	Leasehold	£22,500
Proposed Development Heysham Road Morecambe LA3 2BJ	Ground floor retail	4,000	Proposed	Leasehold	Withheld
408 Heysham Road Morecambe LA3 2BJ	Ground floor retail	745	Built in 1962	Leasehold	£12,000
2 King Street Lancaster, LA1 1JN	Ground floor retail	215	Built in 1930	Leasehold	£6,000
The Arndale Centre Markey Street Morecambe LA4 5DH	Ground floor retail	15,519	Built in 1983	Leasehold	£20,000 – £60,000
Lunedale House Market Street Morecambe LA4 5DW	Ground floor retail	2,090	Built in 1926	Leasehold	£28,000
7-17 Market Street Lancaster LA1 1HZ	Ground floor retail	13,667	-	Leasehold	Withheld
10-12 Market Street Lancaster LA1 1HT	Ground floor retail	1,200	Built in 1900	Leasehold	£55,000
52 Market Street Lancaster LA1 1HS	Ground floor retail	934	Built in 1910	Leasehold	£25,000
12 New Street Lancaster LA1 1EG	Retail A1	1,015	Second Hand Retail	Leasehold	£15,000
18 New Street	Retail A1	1,734	Second Hand Retail	Leasehold	£20,000
46 Market Street Lancaster LA1 1HS	Retail A1	1,684	Second Hand Retail	Leasehold	£28,500
17-19 Market Street Lancaster LA1 1JF	Retail A1	6,241	Second Hand Retail	Leasehold	£120,000

Location	Description	Size (ft ²)	Characteristics	Tenure	Rent (pa / per ft ²)
18 Sir Simons Arcade Lancaster LA1 1JL	Retail A1	686	Second Hand Retail	Leasehold	£10,560
Kings Arcade King Street Lancaster LA1 1LE	Retail A1	465	Second Hand Retail	Leasehold	Not quoted
52 Church Street Lancaster LA1 1NP	Retail A1	1,671	Second Hand Retail	Leasehold	£14,000
16-18 Church Street	Retail A1	2,724	Second Hand Retail	Leasehold	£280,000
5-7 Great John Street Lancaster LA1 1NQ	Retail A1	2,272	Second Hand Retail	Leasehold	£15,000
36 North Road Lancaster LA1 1NS	Retail A4 Pub/Bar	740	-	Freehold	£130,000
114-118 Penny Street Lancaster LA1 1XT	Retail A1	3,920	New Build Under construction	Leasehold	Not quoted
Royal Oak Main Street Lancaster LA2 8JY	Retail A4	-	-	Freehold	£360,000
Knowlys Quarter Knowlys Road Morecambe LA4 5DD	Retail A1	4,000	New Build Under construction	Leasehold	Not quoted
40 Euston Road Morecambe LA4 5DD	Retail A1	2,835	Second Hand Retail	Leasehold	£225,000
7/7A Poulton Road Morecambe LA4 5HA	Retail A1	1,448	Second Hand Retail	Freehold	£600,000
Queen Street Morecambe LA4 5YJ	Retail A1	267	Second Hand Retail	Leasehold	£2,600
Queen Street	Retail A1	721	Second Hand Retail	Leasehold	£3,120
23 Princes Crescent Morecambe LA4 6BY	Retail A1	624	Second Hand Retail	Leasehold	£8,500
Station Buildings Warton Road Carnforth LA5 9BS	Retail A1	2,029	Second Hand Retail	Leasehold	£7,000
7. Scotland Road Carnforth	Retail A1	2,742	Second Hand Retail	Freehold	£160,000

LA5 9JY					
Location	Description	Size (ft ²)	Characteristics	Tenure	Rent (pa / per ft ²)
Former Village Store Main Road Carnforth LA6 1EZ	Retail A1	1,129	Second Hand Retail	Freehold	£200,000
2China Street Lancaster LA1 1EX	Retail A1	255	Second Hand Retail	Leasehold	£5,500
10 New Street Lancaster LA1 1EG	Retail A1	308	Second Hand Retail	Leasehold	£8,000
Old Town Hall Mews 7. Moreca mbe Street Moreacambe LA4 5HE	Retail A1	395	Second Hand Retail	Freehold	£100,000
Marketgate Common Garden Street Lancaster LA1 1JF	Retail A1	434	Second Hand Retail	Leasehold	£25,000
25 Church Street Lancaster LA1 1LP	Retail A1	507	Second Hand Retail	Leasehold	£15,000
Marketgate	Retail A1	526	Second Hand Retail	Leasehold	£10,000
39 Church Street Lancaster LA1 1LP	Retail A1	527	Second Hand Retail	Leasehold	£14,000
Arndale Shopping Centre Market Street Morecambe LA4 5DH	Retail A1	670	Second Hand Retail	Leasehold	£22,500
59-61 King Street Lancaster LA1 1RE	Retail A1	683	Second Hand Retail	Leasehold	£10,000
Marketgate	Retail A1	689	Second Hand Retail	Leasehold	£40,000
69 North Road Lancaster LA1 1LU	Retail A1	706	Second Hand Retail	Leasehold	£8,000

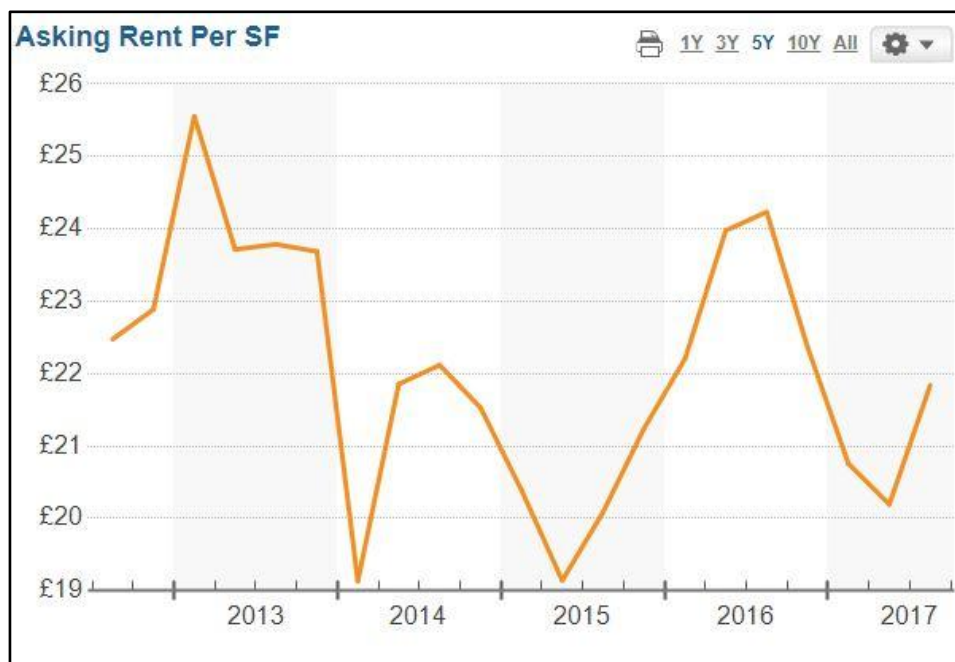
St Nicholas Arcades Shopping Centre Lancaster LA1 1NB	Retail A1	725	Second Hand Retail	Leasehold	£28,000
Location	Description	Size (ft²)	Characteristics	Tenure	Rent (pa / per ft²)
40 Penny Street Lancaster LA1 1UA	Retail A1	760	Second Hand Retail	Leasehold	£35,000
Marketgate	Retail A1	850	Second Hand Retail	Leasehold	£15,000
Marketgate	Retail A1	863	Second Hand Retail	Leasehold	£40,000
9 Common Garden Street Lancaster LA1 1XD	Retail A1	875	Second Hand Retail	Leasehold	£13,000
Marketgate	Retail A1	984	Second Hand Retail	Leasehold	£39,750
St Nicholas Arcades Shopping Centre St Nicholas Arcades Lancaster LA1 1NB	Retail A1	1,031	Second Hand Retail	Leasehold	£25,000
50 Market Street Lancaster LA1 1HS	Retail A1	1,034	Second Hand Retail	Leasehold	£17,500
Arndale Shopping Centre Market Street Morecambe LA4 5DH	Retail A1	1,034	Second Hand Retail	Leasehold	£25,000
Arndale Shopping Centre	Retail A1	1,151	Second Hand Retail	Leasehold	£20,000
408 Heysham Road	Retail A1	1,206	Second Hand Retail	Leasehold	£12,000
Marketgate	Retail A1	1,250	New Refurbished Under Construction	Leasehold	£15,000
35 Common Garden Street Lancaster LA1 1XD	Retail A1	1,269	Second Hand Retail	Leasehold	£10,000
14 New Street Lancaster LA1 1EG	Retail A1	1,324	Second Hand Retail	Leasehold	£15,000
28 New Street	Retail A1	1,597	Second Hand Retail	Leasehold	£25,000
59-61 King Street Lancaster LA1 1RE	Retail A1	1,607	Second Hand Retail	Leasehold	£15,000
The Bay Shopping	Retail A1	1,740	Second Hand	Leasehold	Not quoted

Park Marine Road West Morecambe LA4 4DG			Retail		
Location	Description	Size (ft²)	Characteristics	Tenure	Rent (pa / per ft²)
St Nicholas Arcades	Retail A1	1,746	Second Hand Retail	Leasehold	£49,500
A6 – Kings Arms Milnthorpe LA7 7BH	Retail – Bar	5,430	Built in 1900	Freehold	£450,000 (£83/ft ²)
Chapel Close Carnforth LA6 2AH	Ground floor retail	377	Built in 1962	Freehold	£195,000 (£517/ft ²)
16-18 Church Street Lancaster LA1 1NP	Ground floor retail	1,292	Built in 1960	Freehold	£275,000 (£213/ft ²)
39 Church Street Lancaster LA1 1LP	Ground floor retail	527	Built in 1900	Freehold	£50,000 (£95/ft ²)
6Coastal Road Lancaster LA2 6HN	Retail – Restaurant	800	Built in 1900	Freehold	£150,000 (£188/ft ²)
378 – 380 Heysham Road Morecambe LA3 2BJ	Retail - Bank	3,546	Built in 1954	Freehold	£195,000 (£55/ft ²)
Main Road Nether Kellet Village Store Carnforth LA6 1EZ	Retail with residential	1,129	Built in 1835	Freehold	£199,000 (£176/ft ²)
Main Street Royal Oak Lancaster LA2 8JY	Retail	2,200	Built in 1840	Freehold	£360,000 (£164/ft ²)
Market Street Lunedale House Unit 3 Morecambe LA4 5DW	Retail	17,538	Built in 1926	Freehold	£250,000 (£114/ft ²)
44 Market Street Carnforth LA5 9JX	Retail - Bank	2,945	Built in 1900	Freehold	Withheld
20 Queen Street Morecambe LA4 5EG	Retail – Bar	2,640	Built in 1952	Freehold	£250,000 (£95/ft ²)
3 Scotland Road Carnforth LA5 9JY	Retail ground floor	2,874	Built in 1950	Freehold	£160,000 (£56/ft ²)
7. Stonew ell	Retail ground floor	438	Built in 1909	Freehold	£285,000 (£649/ft ²)

Lancaster LA1 1NJ					
67 Yorkshire Street Morecambe LA3 1QF	Retail	850	-	Freehold	£94,000 (£111/ft ²)

- 6.33 The average asking rent for retail space in Copeland is £21.84/ft², which is generally in line with the £22.11/ft² five year average.

Fig. 47 Average retail asking rents Lancaster District



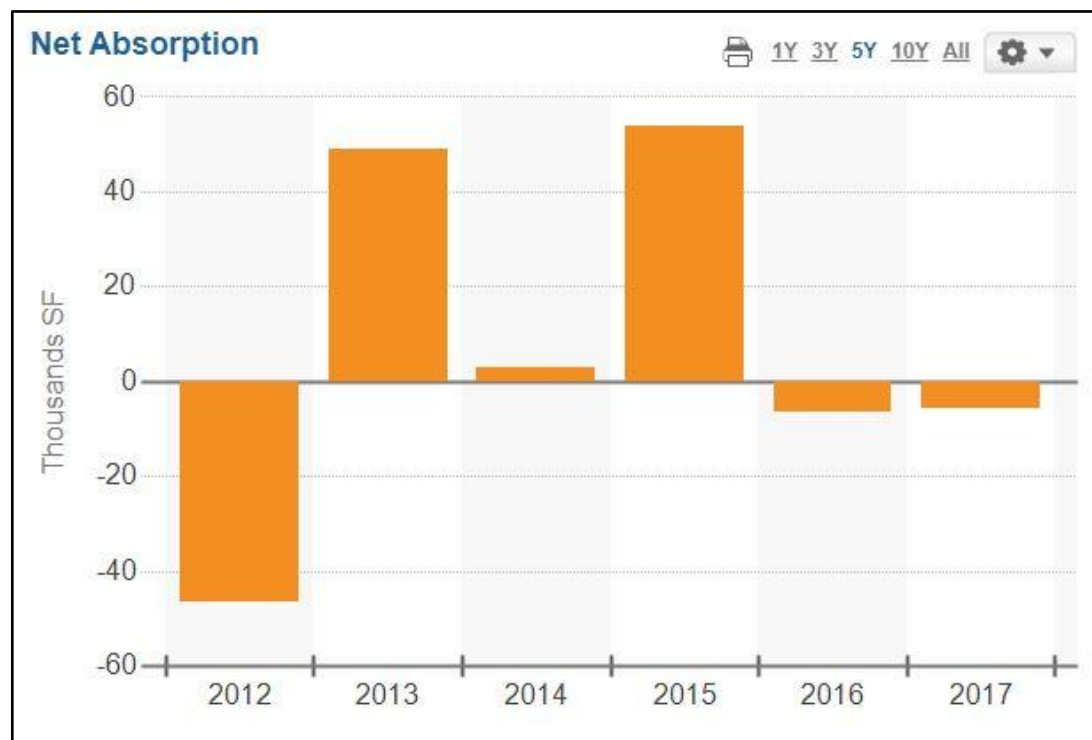
- 6.34 There is an availability rate of 5.3% which equates to 97,776ft² and is lower than the 6.4% five year average.

Fig. 48 Available retail space Lancaster District



- 6.35 Approximately 31,466ft² of retail accommodation has been leased over the last 12 months; however there is a 12 month absorption rate of minus 11,237ft², which is significantly lower than the five year average of 16,577ft². This negative figure indicates that there is low demand for retail stock compared to the higher supply levels.

Fig. 49 Net absorption of retail space Lancaster District



Conclusions

- 6.36 The commercial market evidence set out above demonstrates that the regional office market for Lancashire has a high availability rate at 13.7% compared to 6.9% in the Lancaster District. This coupled with the lower absorption rates highlights that there is a lack of demand for offices. Average asking rents also vary considerably, with the regional figure at a much higher £16.29/ft² in contrast to £10.41/ft² in the local district.
- 6.37 Asking and achieved rents on offices across the district range between £3.14/ft² and £14.28/ft² for various sized units, extending from 420 to 60,000ft². The highest rent was achieved at Castle Chambers in Lancaster, LA1.
- 6.38 The industrial market shows a similar trend in terms of a higher asking rent in the Lancashire region of £4.36/ft², compared to £3.45/ft² in the District. However, availability rates sit at an average rate of 7.5% in the region, whilst there is a considerably higher 12.6% in the local area. Net absorption figures suggest that take up rates are higher than industrial stock supply levels.
- 6.39 Within the District, industrial unit asking and achieved rents currently lie between £0.37/ft² and £7.25/ft², for units extending from 1,450 to 204,208ft². The highest rent was achieved at Ladies Walk in Lancaster, LA1.
- 6.40 With regard to the retail market, regionally throughout Lancashire and locally in the Lancaster District, there is a relatively low availability rate. The absorption rates over the last 12 months also indicate that there is a lack of demand for retail premises.
- 6.41 Locally in the District, available retail premises range widely in size, between 215ft² and 17,538ft², the majority of which are on offer in Lancaster and Morecambe.

7. Method, Viability Assessment Assumptions and Stakeholder Feedback

- 7.1 This section of the report explains the method we have adopted to conduct our viability analysis, the assumptions we have adopted in our viability modelling and the stakeholder engagement we have undertaken to test these assumptions.

The LSH Viability Model

- 7.2 Viability testing within this LPVA has been undertaken using a Residual Appraisal Model ('RAM') developed by LSH, which has been designed specifically to review planning contributions over a wider number of use classes. It is an ideal tool to use to assess the impact of varying planning contributions assumptions to inform and determine the appropriate and viable balance between developer contributions. The uses and typologies can be agreed and varied during testing.
- 7.3 In this instance development scenarios and assumptions used within the LSH RAM have been tested with locally active housebuilders, developers and agents and agreed with Council officers (*see Appendix 4*). A schedule outlining proposed development scenarios and appraisal assumptions was circulated by email and comments and feedback invited. Two viability stakeholder events were also held at Lancaster Town Hall in November 2017. (*see Appendix 3*). Feedback received has in turn been critically reviewed and informed minor adjustments to appraisal assumptions.
- 7.4 The assumptions are based on District-wide market and cost evidence, site-specific viability audits we have recently undertaken for LPAs in the local area, our local market knowledge and other relevant CIL and local plan viability studies LSH have had involvement in. The model caters for both generic and specific inputs as required to define and review potential planning policy objectives and contributions.
- 7.5 This RAM approach reflects RICS Viability Guidance and the RICS Valuation Information Paper 12 (VIP 12)¹⁵ which provides guidance for development valuations. It also reflects the procedural methodology in the Harman Guidance⁷.

¹⁵ *Valuation of development land* – RICS Valuation Information Paper 12 (RICS, March 2008): http://www.rics.org/Global/Downloads/12_ValDvpmtLand_2008.pdf

Fig 50: LSH LPVA Residual Appraisal Methodology

<p style="text-align: center;">Residual Value approach with ‘additional profit’ as output</p> <p style="text-align: center;">Gross Development Value (The combined value of the complete development)</p> <p style="text-align: center;">LESS</p> <p style="text-align: center;">Gross Development Cost + Target Profit (Cost of creating the asset, including a purchase of land and target level of profit) (i.e. Land + Construction + fees + finance charges + target profit)</p> <p style="text-align: center;">= RESIDUAL ‘ADDITIONAL PROFIT’ (the available ‘surplus’ for planning contributions)</p>

- 7.6 The LSH RAM takes the form of a bespoke *Microsoft Excel* template, tailored to allow for a variety of planning contributions to be included and tested. The LSH RAM enables transparent and quick analysis of a variety of different uses and sized schemes as well as different values and builds costs (i.e. sensitivity testing) and their impact on delivering viable local planning policy options. Using the LSH RAM, we have appraised each of the agreed development typologies having regard to market values of land and normal levels of developers profit to establish whether there is any development surplus which could provide for affordable housing or other planning contributions.
- 7.7 This LPVA constitutes ‘stage one’ of a two stage process, with the emphasis herein being on a generic, formula based approach to assess the viability of an appropriate spectrum of representative types of sites within the District in accordance with best practice. More detailed analysis of the emerging strategic sites (four major housing led sites) is to be prepared following the preparation of detailed development costs associated with delivering these sites. The primary objectives of this exercise are to provide an information base to enable Council Officers and Members to make broad brush, early assumptions on whether more generally allocations are likely to be deliverable in the context of prospective planning policy objectives and to support the progression of the Local Plan towards the examination process.
- 7.8 Based on our analysis of the local residential and commercial property markets, we have prepared appropriate assumptions for use in our viability modelling. A draft schedule of development scenarios and appraisal assumptions was prepared and circulated to locally active housebuilders, developers and property agents. Feedback and comment on the draft schedule was invited. Based on the limited feedback received, the assumptions were reviewed and minor revisions made.
- 7.9 The remainder of this section of the LPVA outlines the various assumptions adopted and where these have been amended in light of stakeholder feedback, why and how they have been changed.

Development Scenarios

7.10 Based upon analysis of existing site allocations, recent planning and development activity and potential future development in the District a series of scenarios have been defined to test viability. These scenarios are detailed below:

Fig 51: Lancaster District LPVA – Development Scenarios for Lancaster Market Area

Scenario	Summary
LCR1	A large greenfield residential development site located in Lancaster with a development capacity of 150 units, comprising: <ul style="list-style-type: none"> • 38 no. two bed houses • 46 no. three bed houses • 38 no. four bed houses • 14 no. two bed bungalows • 7 no. one bed apartments • 7 no. two bed apartments
LCR1a	As scenario LCR1, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
LCR1b	As scenario LCR1, but assuming all units are delivered at nationally described space standards.
LCR1c	As scenario LCR1, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.
LCR2	A large brownfield residential development site located in Lancaster with a development capacity of 150 units: <ul style="list-style-type: none"> • 38 no. two bed houses • 46 no. three bed houses • 38 no. four bed houses • 14 no. two bed bungalows • 7 no. one bed apartments • 7 no. two bed apartments
LCR2a	As scenario LCR2, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
LCR2b	As scenario LCR2, but assuming all units are delivered at nationally described space standards.
LCR2c	As scenario LCR2, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.

Scenario	Summary
LCR3	<p>A medium greenfield residential development site located in Lancaster with a development capacity of 50 units:</p> <ul style="list-style-type: none"> • 12 no. two bed houses • 15 no. three bed houses • 12 no. four bed houses • 5 no. two bed bungalows • 3 no. one bed apartments • 3 no. two bed apartments
LCR4	<p>A medium brownfield residential development site located in Lancaster with a development capacity of 50 units:</p> <ul style="list-style-type: none"> • 12 no. two bed houses • 15 no. three bed houses • 12 no. four bed houses • 5 no. two bed bungalows • 3 no. one bed apartments • 3 no. two bed apartments
LCR5	<p>A small greenfield residential development site located in Lancaster with a development capacity of 15 units:</p> <ul style="list-style-type: none"> • 4 no. two bed houses • 7 no. three bed houses • 4 no. four bed houses
LCR5a	As scenario LCR5, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
LCR5b	As scenario LCR5, but assuming all units are delivered at nationally described space standards.
LCR5c	As scenario LCR5, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.
LCR6	<p>A small brownfield residential development site located in Lancaster with a development capacity of 15 units:</p> <ul style="list-style-type: none"> • 4 no. two bed houses • 7 no. three bed houses • 4 no. four bed houses
LC6a	As scenario LCR6, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
LCR6b	As scenario LCR6, but assuming all units are delivered at nationally described space standards

Scenario	Summary
LCR6c	As scenario LCR6, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.
LCR7	<p>An extra small greenfield residential development site located in Lancaster with a development capacity of 6 unit:</p> <ul style="list-style-type: none"> • 1 no. two bed houses • 3 no. three bed houses • 2 no. four bed houses
LCR8	<p>An extra small brownfield residential development site located in Lancaster with a development capacity of 6 unit:</p> <ul style="list-style-type: none"> • 1 no. two bed houses • 3 no. three bed houses • 2 no. four bed houses
LCR9	<p>A large brownfield apartment development site located in Lancaster with a development capacity of 100 units:</p> <ul style="list-style-type: none"> • 50 no. one bedroom apartments • 50 no. two bedroom apartments
LCR10	<p>A medium brownfield apartment development site located in Lancaster with a development capacity of 50 units:</p> <ul style="list-style-type: none"> • 25 no. one bedroom apartments • 25 no. two bedroom apartments
LCR11	<p>A large brownfield PRS apartment development site located in Lancaster with a development capacity of 100 units:</p> <ul style="list-style-type: none"> • 50 no. one bedroom apartments • 50 no. two bedroom apartments
LCR12	<p>A large brownfield student accommodation development site located in Lancaster with a development capacity of:</p> <ul style="list-style-type: none"> • 260 no. studio apartments

Fig 52: Lancaster District LPVA – Development Scenarios for Carnforth Market Area

Scenario	Summary
CFH1	<p>A large greenfield residential development site located in Carnforth with a development capacity of 150 units, comprising:</p> <ul style="list-style-type: none"> • 38 no. two bed houses • 46 no. three bed houses • 38 no. four bed houses • 14 no. two bed bungalows • 7 no. one bed apartments • 7 no. two bed apartments
CFH1a	As scenario CFH1, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
CFH1b	As scenario CFH1, but assuming all units are delivered at nationally described space standards.
CFH1c	As scenario CFH1, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.
CFH2	<p>A large brownfield residential development site located in Carnforth with a development capacity of 150 units:</p> <ul style="list-style-type: none"> • 38 no. two bed houses • 46 no. three bed houses • 38 no. four bed houses • 14 no. two bed bungalows • 7 no. one bed apartments • 7 no. two bed apartments
CFH2a	As scenario CFH2, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
CFH2b	As scenario CFH2, but assuming all units are delivered at nationally described space standards.
CFH2c	As scenario CFH2, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.

Scenario	Summary
CFH3	<p>A medium greenfield residential development site located in Carnforth with a development capacity of 50 units:</p> <ul style="list-style-type: none"> • 12 no. two bed houses • 15 no. three bed houses • 12 no. four bed houses • 5 no. two bed bungalows • 3 no. one bed apartments • 3 no. two bed apartments
CFH4	<p>A medium brownfield residential development site located in Carnforth with a development capacity of 50 units:</p> <ul style="list-style-type: none"> • 12 no. two bed houses • 15 no. three bed houses • 12 no. four bed houses • 5 no. two bed bungalows • 3 no. one bed apartments • 3 no. two bed apartments
CFH5	<p>A small greenfield residential development site located in Carnforth with a development capacity of 15 units:</p> <ul style="list-style-type: none"> • 4 no. two bed houses • 7 no. three bed houses • 4 no. four bed houses
CFH5a	As scenario CFH5, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
CFH5b	As scenario CFH5, but assuming all units are delivered at nationally described space standards.
CFH5c	As scenario CFH5, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.
CFH6	<p>A small brownfield residential development site located in Carnforth with a development capacity of 15 units:</p> <ul style="list-style-type: none"> • 4 no. two bed houses • 7 no. three bed houses • 4 no. four bed houses
CFH6a	As scenario CFH6, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
CFH6b	As scenario CFH6, but assuming all units are delivered at nationally described space standards

Scenario	Summary
CFH6c	As scenario CFH6, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.
CFH7	An extra small greenfield residential development site located in Carnforth with a development capacity of 6 unit: <ul style="list-style-type: none"> • 1 no. two bed houses • 3 no. three bed houses • 2 no. four bed houses
CFH8	An extra small brownfield residential development site located in Carnforth with a development capacity of 6 unit: <ul style="list-style-type: none"> • 1 no. two bed houses • 3 no. three bed houses • 2 no. four bed houses

Fig 53: Lancaster District LPVA – Development Scenarios for Morecambe / Heysham Market Area

Scenario	Summary
MCM1	A large greenfield residential development site located in Morecambe/ Heysham with a development capacity of 150 units, comprising: <ul style="list-style-type: none"> • 38 no. two bed houses • 46 no. three bed houses • 38 no. four bed houses • 14 no. two bed bungalows • 7 no. one bed apartments • 7 no. two bed apartments
MCM1a	As scenario MCM1, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
MCM1b	As scenario MCM1, but assuming all units are delivered at nationally described space standards.
MCM1c	As scenario MCM1, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.

Scenario	Summary
MCM2	<p>A large brownfield residential development site located in Morecambe/Heysham with a development capacity of 150 units:</p> <ul style="list-style-type: none"> • 38 no. two bed houses • 46 no. three bed houses • 38 no. four bed houses • 14 no. two bed bungalows • 7 no. one bed apartments • 7 no. two bed apartments
MCM2a	As scenario MCM2, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
MCM2b	As scenario MCM2, but assuming all units are delivered at nationally described space standards.
MCM2c	As scenario MCM2, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.
MCM3	<p>A medium greenfield residential development site located in Morecambe/Heysham with a development capacity of 50 units:</p> <ul style="list-style-type: none"> • 12 no. two bed houses • 15 no. three bed houses • 12 no. four bed houses • 5 no. two bed bungalows • 3 no. one bed apartments • 3 no. two bed apartments
MCM4	<p>A medium brownfield residential development site located in Morecambe/Heysham with a development capacity of 50 units:</p> <ul style="list-style-type: none"> • 12 no. two bed houses • 15 no. three bed houses • 12 no. four bed houses • 5 no. two bed bungalows • 3 no. two bed apartments • 3 no. two bed apartments
MCM5	<p>A small greenfield residential development site located in Morecambe/Heysham with a development capacity of 15 units:</p> <ul style="list-style-type: none"> • 4 no. two bed houses • 7 no. three bed houses • 4 no. four bed houses •

Scenario	Summary
MCM5a	As scenario MCM5, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
MCM5b	As scenario MCM5, but assuming all units are delivered at nationally described space standards.
MCM5c	As scenario MCM5, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.
MCM6	<p>A small brownfield residential development site located in Morecambe/Heysham with a development capacity of 15 units:</p> <ul style="list-style-type: none"> • 4 no. two bed houses • 7 no. three bed houses • 4 no. four bed houses
MCM6a	As scenario MCM6, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
MCM6b	As scenario MCM6, but assuming all units are delivered at nationally described space standards
MCM6b	As scenario MCM6, but assuming 20% of units comply with Building Regulations accessibility standard M4(2) and all units are delivered at nationally described space standards.
MCM7	<p>An extra small greenfield residential development site located in Morecambe/Heysham with a development capacity of 6 unit:</p> <ul style="list-style-type: none"> • 1 no. two bed houses • 3 no. three bed houses • 2 no. four bed houses
MCM8	<p>An extra small brownfield residential development site located in Morecambe/Heysham with a development capacity of 6 unit:</p> <ul style="list-style-type: none"> • 1 no. two bed houses • 3 no. three bed houses • 2 no. four bed houses

Fig 54: Lancaster District LPVA – Development Scenarios for Rural East Market Area

Scenario	Summary
RE1	<p>A medium greenfield residential development site located in the Rural East with a development capacity of 50 units:</p> <ul style="list-style-type: none"> • 12 no. two bed houses • 15 no. three bed houses • 12 no. four bed houses • 5 no. two bed bungalows • 3 no. one bed apartments • 3 no. two bed apartments
RE1a	As scenario RE1, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
RE1b	As scenario RE1, but assuming all units are delivered at nationally described space standards.
RE2	<p>A medium brownfield residential development site located in the Rural East with a development capacity of 50 units:</p> <ul style="list-style-type: none"> • 12 no. two bed houses • 15 no. three bed houses • 12 no. four bed houses • 5 no. two bed bungalows • 3 no. one bed apartments • 3 no. two bed apartments
RE2a	As scenario RE2, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
RE2b	As scenario RE2, but assuming all units are delivered at nationally described space standards.
RE3	<p>A small greenfield residential development site located in the Rural East with a development capacity of 15 units:</p> <ul style="list-style-type: none"> • 4 no. two bed houses • 7 no. three bed houses • 4 no. four bed houses
RE3a	As scenario RE3, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
RE3b	As scenario RE3, but assuming all units are delivered at nationally described space standards.

Scenario	Summary
RE4	A small brownfield residential development site located in the Rural East with a development capacity of 15 units: <ul style="list-style-type: none"> • 4 no. two bed houses • 7 no. three bed houses • 4 no. four bed houses
RE4a	As scenario RE4, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
RE4b	As scenario RE4, but assuming all units are delivered at nationally described space standards.
RE5	An extra small greenfield residential development site located in the Rural East with a development capacity of 6 unit: <ul style="list-style-type: none"> • 1 no. two bed houses • 3 no. three bed houses • 2 no. four bed houses
RE6	An extra small brownfield residential development site located in the Rural East with a development capacity of 6 units: <ul style="list-style-type: none"> • 1 no. two bed houses • 3 no. three bed houses • 2 no. four bed houses
RE7	A development of 2 no. two bedroom residential units in the Rural East.

Fig 55: Lancaster District LPVA – Development Scenarios for Rural West Market Area

Scenario	Summary
RW1	A medium greenfield residential development site located in the Rural West with a development capacity of 50 units: <ul style="list-style-type: none"> • 12 no. two bed houses • 15 no. three bed houses • 12 no. four bed houses • 5 no. two bed bungalows • 3 no. one bed apartments • 3 no. two bed apartments
RW1a	As scenario RW1, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
RW1b	As scenario RW1, but assuming all units are delivered at nationally described space standards.

Scenario	Summary
RW2	<p>A medium brownfield residential development site located in the Rural West with a development capacity of 50 units:</p> <ul style="list-style-type: none"> • 12 no. two bed houses • 15 no. three bed houses • 12 no. four bed houses • 5 no. two bed bungalows • 3 no. one bed apartments • 3 no. two bed apartments
RW2a	As scenario RW2, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
RW2b	As scenario RW2, but assuming all units are delivered at nationally described space standards.
RW3	<p>A small greenfield residential development site located in the Rural West with a development capacity of 15 units:</p> <ul style="list-style-type: none"> • 4 no. two bed houses • 7 no. three bed houses • 4 no. four bed houses
RW3a	As scenario RW3, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
RW3b	As scenario RW3, but assuming all units are delivered at nationally described space standards.
RE4	<p>A small brownfield residential development site located in the Rural West with a development capacity of 15 units:</p> <ul style="list-style-type: none"> • 4 no. two bed houses • 7 no. three bed houses • 4 no. four bed houses
RW4a	As scenario RW4, but assuming 20% of units comply with Building Regulations accessibility standard M4(2).
RW4b	As scenario RW4, but assuming all units are delivered at nationally described space standards.
RW5	<p>An extra small greenfield residential development site located in the Rural West with a development capacity of 6 unit:</p> <ul style="list-style-type: none"> • 1 no. two bed houses • 3 no. three bed houses • 2 no. four bed houses
RW6	An extra small brownfield residential development site located in the Rural West with a development capacity of 6 units:

	<ul style="list-style-type: none"> • 1 no. two bed houses • 3 no. three bed houses • 2 no. four bed houses
RW7	A development of 2 no. two bedroom residential units in the Rural West.

Fig 56: Lancaster District LPVA – Development Scenarios for Commercial sites

Scenario	Summary
M1	<p>A medium brownfield mixed use development site located in Lancaster with a development capacity of:</p> <ul style="list-style-type: none"> • 7,000 sqft GIA retail unit • 15 no. two bedroom apartments • 15 no. one bedroom apartments • 50 space car park
C1	<p>A medium / large greenfield business park site located in Lancaster with a development capacity of:</p> <ul style="list-style-type: none"> • 40,000 sqft GIA industrial building • 30,000 sqft GIA office building • 125 space car park
C2	<p>A medium / large brownfield business park site located in Lancaster with a development capacity of:</p> <ul style="list-style-type: none"> • 40,000 sqft GIA industrial building • 30,000 sqft GIA office building • 125 space car park
C3	<p>A small / medium greenfield business park site located in Carnforth with a development capacity of:</p> <ul style="list-style-type: none"> • 20,000 sqft GIA industrial building • 15,000 sqft GIA office building • 63 space car park
C4	<p>A small / medium brownfield business park site located in Carnforth with a development capacity of:</p> <ul style="list-style-type: none"> • 20,000 sqft GIA industrial building • 15,000 sqft GIA office building • 63 space car park
C5	<p>A medium large greenfield logistics / industrial development site in Heysham with a development capacity of:</p> <ul style="list-style-type: none"> • 200,000 sqft GIA industrial / logistics buildings • 500 space car park

Scenario	Summary
C6	<p>A medium large brownfield logistics / industrial development site in Heysham with a development capacity of:</p> <ul style="list-style-type: none"> • 200,000 sqft GIA industrial / logistics buildings • 500 space car park
C7	<p>A small / medium greenfield rural employment development site with a development capacity of:</p> <ul style="list-style-type: none"> • 20,000 sqft GIA industrial building • 13,000 sqft GIA office building • 63 space car park
C8	<p>A retail foodstore development site with a development capacity of:</p> <ul style="list-style-type: none"> • 19,000 sqft GIA • 125 space car park
C9	<p>A retail warehouse development site with a development capacity of:</p> <ul style="list-style-type: none"> • 44,000 sqft GIA • 140 space car park

7.11 A detailed schedule of these development scenarios and associated appraisal assumptions is included at *Appendix 3*.

Market Value Assumptions

Gross Development Value (GDV)

7.12 Market Values achieved across the Lancaster district for new build homes are diverse and tend to be at the lower end in traditional industry towns such as Morecambe / Heysham.

7.13 The following table demonstrates broadly the rates and total areas that we have adopted for each house type in Lancaster, Carnforth, Morecambe / Heysham, Rural East and Rural West locations, based on our long-standing knowledge of the local residential market and comparable evidence sourced for new build and modern re-sale homes (*see Chapter 5*):

Fig 57: Market Value Assumptions – GDVs (Price / £/ft²), Floor Area, Net to Gross

House Type	1 bed Apartment	2 Bed Apartment	2 Bed Bungalow	2 bed House	3 bed House	4+ bed House
Lancaster (and Galgate) Price (£/ft ²)	£115,132 (£213.00)	£137,132 (£214.00)	£175,000 (£250.00)	£160,000 (£212.50)	£195,000 (£213.10)	£275,000 (£222.30)
Carnforth Price (£/ft ²)	£110,000 (£204.50)	£131,500 (£203.50)	£168,000 (£240.00)	£152,000 (£201.90)	£186,000 (£203.30)	£261,000 (£211.00)
Morecambe / Heysham Price (£/ft ²)	£94,000 (£174.70)	£132,000 (£173.70)	£154,000 (£220.00)	£137,000 (£182.00)	£169,000 (£184.70)	£235,000 (£190.00)
House Type	1 bed Apartment	2 Bed Apartment	2 Bed Bungalow	2 bed House	3 bed House	4+ bed House
Rural East (Hornby, Caton, Arkholme, Whittington) Price (£/ft ²)	£126,500 (£235.10)	£151,000 (£233.70)	£192,500 (£275.00)	£187,500 (£249.00)	£225,000 (£245.90)	£300,000 (£242.50)
Rural West (Halton, Bolton-le-Sands) Price (£/ft ²)	£120,512 (£224.00)	£144,058 (£223.00)	£182,000 (£260.00)	£175,449 (£233.00)	£211,365 (£231.00)	£283,273 (£229.00)
Area (£/ft²)						
Net	538	646	700	753	915	1,237
Gross	633	760	700	753	915	1,237
Net / Gross Ratio	85%	85%	100%	100%	100%	100%

7.14 A modest premium has been added to all units proposed at national described space standards to reflect in the potential uplift in value (approximately 3% uplift in value).

7.15 Stakeholders raised no objection to the market value assumptions.

Land Value Assumptions

7.16 What can be considered to be a reasonable landowner return will depend upon the specific circumstances of the case, for example whether a site is greenfield or brownfield in nature, the extent of abnormal costs, current and future uses of the land. Clearly if a landowner

does not receive close to what they perceive to be a reasonable return in relation to the sale of their land then it will not be made available for development.

- 7.17 The Threshold Land Value ('TLV') is a viability concept relating to a land value at or above that which it is assumed a landowner would be prepared to sell.
- 7.18 The Residual Land Value ('RLV') is the amount remaining to buy the land once the total cost of a development and an appropriate profit are deducted from the gross development value. The RLV must be above or close to the TLV in order for a scheme to be considered to be potentially viable.
- 7.19 Typically a landowner will have a preconceived notion of the value or worth of their site. In the case of greenfield sites (typically in an existing agricultural use) it is relatively simple to reconcile whether this notion is realistic through the benchmarking of greenfield land values against other relevant transactions. The benchmarking of land value for brownfield sites is much more subjective, depending on such factors as the existing and previous use of the property or site in question, the extent of abnormal or remediation costs required to facilitate an alternative use for the site and lost income from the termination of existing investments on the site and the perceived historic investment in the site or building by the landowner.
- 7.20 The 'RICS Viability Guidance' ¹⁰ states that 'site value' as a (landowner) benchmark should *'equate to the market value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan.'*
- 7.21 Having regard to the evidence, we have adopted the following land value thresholds for each of the subject areas in regards to residential development:
- Lancaster greenfield - £350,000 per net acre
 - Lancaster brownfield - £300,000 per net acre
 - Lancaster brownfield apartment site - £600,000
 - Carnforth greenfield - £275,000 per acre
 - Carnforth brownfield - £225,000 per acre
 - Morecambe / Heysham greenfield - £250,000 per net acre
 - Morecambe / Heysham brownfield - £200,000 per net acre
 - Rural East greenfield - £425,000 per acre
 - Rural East brownfield - £375,000 per acre

- Rural West greenfield - £375,000 per acre
- Rural West brownfield - £325,000 per acre

7.22 For commercial / mixed use developments the following assumed land values have been adopted:

- Lancaster Mixed Use (Brownfield) - £500,000 per acre
- Lancaster Medium / Large Employment (Greenfield) - £175,000 per acre
- Lancaster Medium / Large Employment (Brownfield) - £175,000 per acre
- Carnforth Small / Medium Employment (Greenfield) - £175,000 per acre
- Carnforth Small / Medium Employment (Brownfield) - £175,000 per acre
- Heysham Medium / Large Employment (Greenfield) - £175,000 per acre
- Heysham Medium / Large Employment (Brownfield) - £175,000 per acre
- Retail Foodstore (brownfield) - £650,000 per acre
- Retail Warehouse (brownfield) - £350,000 per acre

7.23 Stakeholders raised no objection to the market value assumptions.

Construction Cost Assumptions

Basic Build Costs

7.24 These are direct costs relating to the creation of each proposed dwelling unit, including preliminaries, cost of creating substructure and superstructure, but excluding abnormal items. They do not include the costs of any external works beyond the footprint of the walls of each dwelling.

7.25 A useful starting point for the calculation of basic build costs for new build schemes is RICS's BCIS ('Building Cost Information Service') – the UK property market's leading provider of construction cost and price information. Adopted BCIS costs should be location adjusted to the District and we would generally advocate the use of lower quartile cost data. BCIS costs are based on Gross Internal Area ('GIA').

7.26 For residential schemes BCIS 'Average Prices' data arises from the analysis of sample cost returns from a range of schemes, including wholly affordable housing schemes (which will typically have greater relative costs than private residential schemes), of varying design. From experience of the preparation and analysis of site-specific viability studies and from a number of recent planning appeal decisions, it is apparent that volume housebuilders (both national and regional housebuilders) build houses at rates well below

BCIS 'Average Price' data, including lower quartile costs. For this reason, we have used a combination of experience and cost evidence from appeal decisions to derive our residential build cost assumptions.

- 7.27 At the time of writing we have seen a significant increase in BCIS costs over the past 12 to 18 months. This increase has been greater than the rate of increase seen in representative local build costs. We have considered this build cost inflation in the build cost assumptions used in this study.

Fig 58: Base Build Cost Assumptions – By development scenario and property type

Dev. Scenario	Property Type	Large Site (150 units)	Medium Sites (50 units)	Small Sites (15 units)	Extra Small Sites (6 units)	Single Unit Sites	Apartment Sites	Mixed Use Sites	Medium / Large Employment Sites	Small / Medium Employment Sites	Medium / Large Logistics sites	Small / Medium Rural Employment sites	Retail Foodstore Sites	Retail Warehouse Sites
House (£ psf)		75.00	78.00	87.00	92.00	150.00								
Bungalow (£ psf)		113.17	113.17											
Apartment (£ psf)		114.46	114.46				114.46							

Dev. Scenario	Property Type	Large Site (150 units)	Medium Sites (50 units)	Small Sites (15 units)	Extra Small Sites (6 units)	Single Unit Sites	Apartment Sites	Mixed Use Sites	Medium / Large Employment Sites	Small / Medium Employment Sites	Medium / Large Logistics sites	Small / Medium Rural Employment sites	Retail Foodstore Sites	Retail Warehouse Sites
Mixed Use (£ psf)								114.46						
Office (£ psf)									98.00	98.00		103.00		
Industrial (£ psf)									60.00	60.00	50.00	65.00		
Retail (£ psf)													50.00	60.00

- 7.28 These residential build costs are used for all house types. An additional allowance of £1,000 per unit has been added to the basic build cost for units built to comply with the Building Regulations M4(2) standard. It is assumed that units delivered at nationally described space standards will be built in accordance with the residential build costs listed in Figure 58.

Infrastructure and External Costs

- 7.29 These are the costs of any external works beyond the footprint of the walls of each dwelling. These include the cost of 'non-abnormal' external works within the curtilage of each plot and within the communal areas of the site such as the installation of utilities, drainage, highways infrastructure and site landscaping. Many of these items will depend on individual site circumstances and can only properly be estimated following a detailed assessment of each site. It is however possible to generalise. External costs are typically lower for higher density than for lower density schemes as higher density schemes will have a smaller area of external works, and services can be used more efficiently. Large greenfield sites are more likely to require substantial expenditure on bringing mains services to the site.
- 7.30 Typically we expect to see external costs comprising from around 10% of basic build costs for smaller sites (up to 0.5 hectares) and increasing to 20% of basic build costs for larger Greenfield schemes (of 1.5 hectares and above).
- 7.31 The following table shows the assumptions adopted in regards to each scenario, based on the aforementioned principles:

Fig 59: Demolition and external works assumptions – By development scenario

Dev. Scenario	LCR 1	LCR 2	LCR 3	LCR 4	LCR 5	LCR 6	LCR 7	LCR 8	LCR 9	LCR 10	LCR 11	LCR 12
Demolition (£k per acre)		100		105		110		110	110	105	105	105
External Works (%)	20	20	15	15	10	10	10	10	10	10	10	10

Dev. Scenario	CFH 1	CFH 2	CFH 3	CFH 4	CFH 5	CFH 6	CFH 7	CFH 8
Demolition (£k per acre)		100		105		110		110
External Works (%)	20	20	15	15	10	10	10	10

Dev. Scenario	MCM 1	MCM 2	MCM 3	MCM 4	MCM 5	MCM 6	MCM 7	MCM 8
Demolition (£k per acre)		100		105		110		110
External Works (%)	20	20	15	15	10	10	10	10

Dev. Scenario	RE1	RE2	RE3	RE4	RE5	RE6	RE7
Demolition (£k per acre)		105		110		110	
External Works (%)	15	15	10	10	10	10	10

Dev. Scenario	RW1	RW2	RW3	RW4	RW5	RW6	RW7
Demolition (£k per acre)		105		110		110	
External Works (%)	15	15	10	10	10	10	10

Dev. Scenario	M1	C1	C2	C3	C4	C5	C6	C7	C8	C9
Demolition (£k per acre)	110		110		110		100		110	110
External Works (%)	10	10	10	10	10	10	10	10	10	10

7.32 Stakeholders raised no objection to the proposed assumptions for demolition or external works costs.

Site-specific abnormal costs

7.33 Abnormal costs should be those specific to the site, which are over and above costs that can reasonably be expected to be incurred for the development of an allocated, level and well-drained greenfield site with adopted highways and utilities available to the site boundary.

7.34 Stakeholders suggested that it will be important that abnormal costs are reflected in more detailed site specific viability modelling.

Contingency

7.35 A contingency allowance will typically range between 2% and 5% of total build costs for new build schemes. For previously undeveloped and otherwise straightforward sites we would normally allow a contingency of around 2-3% with a higher figure of 5% on more risky types of development and previously developed land.

Fig 60: Assumed contingency allowances – By development scenario

Dev. Scenario	LCR 1	LCR 2	LCR 3	LCR 4	LCR 5	LCR 6	LCR 7	LCR 8	LCR 9	LCR 10	LCR 11	LCR 12
Contingency (%)	3	5	3	5	3	5	3	5	5	5	5	5

Dev. Scenario	CFH 1	CFH 2	CFH 3	CFH 4	CFH 5	CFH 6	CFH 7	CFH 8
Contingency (%)	3	5	3	5	3	5	3	5

Dev. Scenario	MCM1	MCM2	MCM3	MCM4	MCM5	MCM6	MCM7	MCM8
Contingency (%)	3	5	3	5	3	5	3	5

Dev. Scenario	RE1	RE2	RE3	RE4	RE5	RE6	RE7
Contingency (%)	3	5	3	5	3	5	3

Dev. Scenario	RW 1	RW 2	RW 3	RW 4	RW 5	RW 6	RW 7
Contingency (%)	3	5	3	5	3	5	3

Dev. Scenario	M1	C1	C2	C3	C4	C5	C6	C7	C8	C9
Contingency (%)	5	5	7	5	7	5	7	5	5	5

Professional Fees

7.36 Professional fees for schemes within the local area (including statutory fees) will typically fall into the range of 5% to 10% of construction costs, dependent upon scale and nature of scheme. Sites requiring input from wider range of professionals (e.g. Brownfield, flood-affected and more complicated sites) are likely to be at the higher end of this range.

Fig 61: Assumed professional fees – By development scenario

Dev. Scenario	LCR 1	LCR 2	LCR 3	LCR 4	LCR 5	LCR 6	LCR 7	LCR 8	LCR 9	LCR 10	LCR 11	LCR 12
Professional Fees (%)	8	9	8	9	9	10	9	10	9	9	9	9

Dev. Scenario	CFH 1	CFH 2	CFH 3	CFH 4	CFH 5	CFH 6	CFH 7	CFH 8
Professional Fees (%)	8	9	8	9	9	10	9	10

Dev. Scenario	MCM 1	MCM 2	MCM 3	MCM 4	MCM 5	MCM 6	MCM 7	MCM 8
Professional Fees (%)	8	9	8	9	9	10	9	10

Dev. Scenario	RE1	RE2	RE3	RE4	RE5	RE6	RE7
Professional Fees (%)	8	9	9	10	9	10	9

Dev. Scenario	RW1	RW2	RW3	RW4	RW5	RW6	RW7
Professional Fees (%)	8	9	9	10	9	10	9

Dev. Scenario	M1	C1	C2	C3	C4	C5	C6	C7	C8	C9
Professional Fees (%)	9	9	9	9	9	9	9	9	8	8

Developer contributions (s106)

7.37 Typical developer cost contributions provided through s106 agreements relate to education, off-site public open and community space provision and off-site highways. However, for the purposes of this LPVA, we have assumed no s106 costs in order to assess the baseline viability position for development across Lancaster district. The viability modelling identifies the surplus for planning contributions (s106 / CIL) once development costs (including land acquisition costs, constructions costs, fees, developers profit) and affordable housing are discounted from the Gross Development Value.

Marketing and disposal costs

7.38 Marketing and disposal costs include sales legal fees, sales promotion and agency, marketing budget and sales incentives (where necessary). Typically these cumulative costs are expected to fall within the range of 1.5% and 3% of GDV. For the purposes of this LPVA, we have assumed a flat rate of 2.5% of GDV for all residential development scenarios and 3% for commercial development scenarios.

Site acquisition costs

7.39 Site acquisition costs will typically be covered within a budget of 1.5% of site value and will incorporate acquisition agents and legal fees. In addition to this allowance SDLT (Stamp Duty Land Tax) is accounted for at the prevailing rate for the development scenario in question.

Fig 62: Assumed SDLT – By development scenario

Dev. Scenario	LCR1/ LCR1a	LCR1b/ LCR1c	LCR2/ LCR2a	LCR2b/ LCR2c	LCR3	LCR4	LCR5/ LCR5a	LCR5b/ LCR5c	LCR6/ LCR6a	LCR6b/ LCR6c
SDLT (£)	160,221	169,821	135,832	144,061	46,255	30,039	7,510	8,613	4,937	5,882

Dev. Scenario	LCR7	LCR8	LCR9	LCR10	LCR11	LCR12
SDLT (£)	0	0	68,893	36,127	83,645	83,645

Dev. Scenario	CFH1/CFH1a	CFH1b/CFH1c	CFH2/CFH2a	CFH2b/CFH2c	CFH3	CFH4	CFH5/CFH5a	CFH5b/CFH5c	CFH6/CFH6a	CFH6b/CFH6c
SDLT (£)	123,638	130,977	99,249	105,254	34,093	25,985	3,651	4,449	1,631	1,892

Dev. Scenario	CFH7	CFH8
SDLT (£)	0	0

Dev. Scenario	MCM1/MCM1a	MCM1b/MCM1c	MCM2/MCM2a	MCM2b/MCM2c	MCM3	MCM4	MCM5/MCM5a	MCM5b/MCM5c	MCM6/MCM6a	MCM6b/MCM6c
SDLT (£)	111,443	118,115	87,055	92,392	30,039	21,931	2,364	3,090	1,116	1,348

Dev. Scenario	MCM7	MCM8
SDLT (£)	0	0

Dev. Scenario	RE1/RE1a	RE1b	RE2/RE2a	RE2b	RE3/RE3a	RE3b	RE4/RE4a	RE4b	RE5	RE6	RE7
SDLT (£)	58,417	62,355	50,309	53,784	11,369	12,708	8,796	9,978	749	308	0

Dev. Scenario	RW1/RW1a	RW1b	RW2/RW2a	RW2b	RW3/RW3a	RW3b	RW4/RW4a	RW4b	RW5	RW6	RW7
SDLT (£)	50,309	53,784	42,201	45,213	8,796	9,978	6,224	7,247	308	0	0

Dev. Scenario	M1	C1	C2	C3	C4	C5	C6	C7	C8	C9
SDLT (£)	36,449	34,472	34,472	17,607	17,607	80,309	80,309	16,526	38,487	24,958

Development Finance Costs

7.40 Finance costs within a development appraisal are usually based on the accumulated debt, ideally calculated using a cash flow model in the context of the application of appropriate timescales for the scheme in question. At present most mainstream developers can obtain finance in the range of 5.5 to 6.5% per annum with a credit facility or up to around 60% loan to value. When the arrangement costs of obtaining finance are taken into account the total cost of finance will typically fall within the range of 6.5% to 7.5% per annum.

7.41 It is appreciated that the business models of some developers will involve investing more of their own funds into schemes, with other developers requiring greater external funding. The 'RICS Viability Guidance' ⁸ (detailed below) is very clear on how such matters must be dealt with:

'viability appraisals...should disregard either benefits or disbenefits that are unique to the applicant, whether landowner, developer or both; for example, internal financing

arrangements. The aim should be to reflect industry benchmarks as applied to the particular site in question for a planning application Clearly, there must be consistency in viability principles and application across these interrelated planning matters.'

- 7.42 Consequently, for consistency, the assumption is advocated that finance will be 7% per annum of accumulated debt; assuming a requirement for 100% debt funding for all medium and larger residential developments and commercial developments. For smaller residential developments a modest increase is made to the finance cost of 0.5%, increasing the finance cost to 7% per annum.

Timescale Assumptions

- 7.43 Timescale assumptions for development appraisals relate to three key elements:

- Pre-construction
 - 3 months lead-in for pre-construction enabling and mobilisation
- Construction
 - 6 months construction per residential and commercial unit
- Sale
 - 6 months average between construction start and first sale for all residential sites
 - 2 sales per month on all small and medium residential sites
 - 4 sales per month on all large residential sites (assuming two sales outlets)
 - It is assumed that commercial units will be pre-let or pre-sold

Assumed Developer Return

Developer Return (Profit) (*Competitive return to a willing developer*)

- 7.44 There has been much debate at appeal and through assessment of Local Authority policy and guidance documents of what might be considered a competitive and appropriate developer return. The following points are useful to refer to in this regard:

- The Planning Advisory Service 'Viability Handbook and Exercises' (para 4.80) (January 2011) advises that:
Where a positive residual land value is achieved...Typical required margins, depending on the developer and the risks of the development, are a 20% margin on cost and 17.5% margin on GDV.
- The accompanying guidance to the HCA's Development Appraisal tool comments as follows on *Developer's Return for Risk and Profit (including developer's overheads)*:
Open Market Housing
The developer 'profit' (before taxation) on the open market housing as a percentage of the value of the open market housing. A typical figure currently may be in the region of

17.5-20% and overheads being deducted, but this is only a guide as it will depend on the state of the market and the size and complexity of the scheme.

Affordable Housing

The developer 'profit' (before taxation) on the affordable housing as a percentage of the value of the affordable housing (excluding SHG). A typical figure may be in the region of 6% (the profit is less than that for the open market element of the scheme, as risks are reduced), but this is only a guide.

- LSH Planning and Development Consultancy team members provided expert witness services in relation to a key appeal decision in relation to a large urban edge housing scheme in Kendal in 2013. The following extract, taken from the Appeal Decision, sets out the Inspector's conclusion as to developer return:

'The concept of a 'competitive return' is not further defined by the NPPF, and could be the subject of differing interpretations by the parties involved in any particular development. The assessment of a competitive return will involve an element of judgement. Clearly, however, excessively ambitious predictions must be tempered by comparison with industry norms and local circumstances.

In this case, it is common ground that a competitive return for the developer can be taken as a profit of 18-20% of the gross development value ('GDV')...I see no reason to reach a different conclusion.'

- 7.45 It is important to acknowledge that the returns sought by different developers and how they secure this through the whole development process can vary considerably. Developers will take into account a range of factors relating to the risk profile of the scheme, such as scheme size, time of delivery, location and other market factors, in determining what an acceptable rate of return is. Developer's Return is often the most potentially contentious aspect of any Viability Assessment.
- 7.46 From experience LSH are aware that widely differing profit margins will be expected by different Developers within the Lancaster area. Some smaller developers may be willing to accept profit levels of between 10 and 15% of GDV (net of central overheads) in order to keep their workforce employed. Such smaller developers will generally have low level or no funding requirements and the policies of lenders will have minimal relevance.
- 7.47 Other Developers have greater profit expectations of anything from 15% and 20% of GDV. Developers falling into this bracket will generally utilise bank funding facilities and therefore the current risk-averse cautious policies of lenders will have a greater effect. In general terms ongoing reduced sales rates across the UK continue to cause lenders some concern.

- 7.48 Whilst many funders do expect 20% of GDV as a starting point on medium and large schemes, there is typically scope for a developer with a reasonable track record to agree a reduction to 18% of GDV where viability becomes an issue and all three parties to transaction (the landowner, developer, LPA) will each need to potentially compromise expectations, to some extent, in order to broker a mutually acceptable solution.
- 7.49 In order to ensure that Lancaster remains open and attractive to a broad range of housebuilders and developers, we have adopted 18% profit on GDV.

8. Viability Assessment Findings

- 8.1 This section of the report presents the findings of the stage one viability modelling. The findings are presented in turn by settlement / settlement type and development scenario.
- 8.2 Full development appraisals are provided for each development scenario at *Appendix 5*. The outturn of the development appraisals is the potential surplus for planning contributions (CIL and/or S106 works or contributions) available after total development costs (land acquisition, build costs, professional fees, borrowing costs and developers profit) and affordable housing are discounted from the gross development value.
- 8.3 The findings for each development scenario include the sensitivity matrix extracted from the viability appraisal. The sensitivity analysis:
- Identifies the potential surplus for planning contributions based on increases and decreases to the gross development value and / or the constructions costs.
 - The central box within the sensitivity matrix provides the viability outturn based upon the appraisal assumptions detailed in this report.
 - Gross development values increase in 10% increments running horizontally in the matrix.
 - Construction costs increase in 5% increments running vertically in the matrix.
 - Colouring in the sensitivity matrix follows a traffic lighting sequence, where green shades illustrate development generating a strong surplus for planning contributions, yellow shades illustrate development generating very limited or nil surplus for planning contributions and orange and red shades show development that is unviable.

Lancaster Residential Development

- 8.4 The following figures show the viability results for the scenarios involving extra small, small, medium and large scale residential developments, on greenfield and brownfield sites in Lancaster:

Lancaster Large Greenfield Residential Development Sites

Fig. 63. Large Greenfield Residential (LCR1)

Values						
Construction Costs	1,123,002	80%	90%	100%	110%	120%
90%		(1,257,944)	612,848	2,483,640	4,354,432	6,225,224
95%		(1,938,262)	(67,471)	1,803,321	3,674,113	5,544,905
100%		(2,618,581)	(747,789)	1,123,002	2,993,794	4,864,586
105%		(3,298,900)	(1,428,108)	442,684	2,313,476	4,184,267
110%		(3,979,219)	(2,108,427)	(237,635)	1,633,157	3,503,949

- 8.5 *Fig. 63 demonstrates that based on current values and construction costs, a large greenfield site (150 units) in Lancaster is viable and, accounting for 30% affordable housing generates a potential surplus for planning contributions of £1.123 million (or approximately £7.5k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.*

Fig. 64. Large Greenfield Residential – 20% of units at M4(2) (LCR1a)

Values						
Construction Costs	1,089,792	80%	90%	100%	110%	120%
90%		(1,291,154)	579,638	2,450,430	4,321,222	6,192,014
95%		(1,971,472)	(100,681)	1,770,111	3,640,903	5,511,695
100%		(2,651,791)	(780,999)	1,089,792	2,960,584	4,831,376
105%		(3,332,110)	(1,461,318)	409,474	2,280,266	4,151,057
110%		(4,012,429)	(2,141,637)	(270,845)	1,599,947	3,470,739

Fig. 65. Large Greenfield Residential – all units at nationally described space standards (LCR1b)

Values						
Construction Costs	1,202,504	80%	90%	100%	110%	120%
90%		(1,321,592)	661,294	2,644,179	4,627,064	6,609,949
95%		(2,042,429)	(59,544)	1,923,341	3,906,226	5,889,112
100%		(2,763,267)	(780,381)	1,202,504	3,185,389	5,168,274
105%		(3,484,104)	(1,501,219)	481,666	2,464,551	4,447,437
110%		(4,204,942)	(2,222,056)	(239,171)	1,743,714	3,726,599

Fig. 66. Large Greenfield Residential – 20% of units at M4(2) and all units at nationally described space standards (LCR1c)

Values						
Construction Costs	1,169,294	80%	90%	100%	110%	120%
90%		(1,354,802)	628,084	2,610,969	4,593,854	6,576,739
95%		(2,075,639)	(92,754)	1,890,131	3,873,016	5,855,902
100%		(2,796,477)	(813,591)	1,169,294	3,152,179	5,135,064
105%		(3,517,314)	(1,534,429)	448,456	2,431,341	4,414,227
110%		(4,238,152)	(2,255,266)	(272,381)	1,710,504	3,693,389

- 8.6 *Figures 64, 65 and 66 assess the impact of elevated policy design standards on the viability of a large greenfield housing site in Lancaster. Fig. 64 shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £1.089 million (or approximately £7.3k per unit). Figure 65 shows that applying national spaces standards has a small positive affect, increasing the surplus for planning contributions by approximately £80k to £1.202 million (or approximately £8k per unit). Figure 66 shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small positive affect, albeit smaller than scenarios LCR1b, increasing the surplus for*

planning contributions by approximately £46k to £1.169 million (or approximately £7.8k per unit).

Lancaster Large Brownfield Residential Development Sites

Fig. 67. Large Brownfield Residential (LCR2)

Values			80%	90%	100%	110%	120%
Construction Costs	383,798						
	90%	(2,127,957)	(172,129)	1,783,699	3,739,527	5,695,354	
	95%	(2,827,907)	(872,079)	1,083,748	3,039,576	4,995,404	
	100%	(3,527,858)	(1,572,030)	383,798	2,339,626	4,295,454	
	105%	(4,227,808)	(2,271,980)	(316,153)	1,639,675	3,595,503	
	110%	(4,927,759)	(2,971,931)	(1,016,103)	939,725	2,895,553	

- 8.7 Fig. 67 demonstrates that based on current values and construction costs, a large brownfield site (150 units) is viable and, accounting for 20% affordable housing generates a potential surplus for planning contributions of £0.384 million (or approximately £2.6k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Fig. 68. Large Brownfield Residential – 20% of units at M4(2) (LCR2a)

Values						
Construction Costs	350,280	80%	90%	100%	110%	120%
	90%	(2,161,474)	(205,647)	1,750,181	3,706,009	5,661,837
	95%	(2,861,425)	(905,597)	1,050,231	3,006,059	4,961,887
	100%	(3,561,375)	(1,605,547)	350,280	2,306,108	4,261,936
	105%	(4,261,326)	(2,305,498)	(349,670)	1,606,158	3,561,986
	110%	(4,961,276)	(3,005,448)	(1,049,620)	906,207	2,862,035

Fig. 69. Large Brownfield Residential – all units at nationally described space standards (LCR2b)

Values			80%	90%	100%	110%	120%
Construction Costs	486,018						
	90%	(2,183,167)	(110,151)	1,962,865	4,035,882	6,108,898	
	95%	(2,921,591)	(848,575)	1,224,442	3,297,458	5,370,474	
	100%	(3,660,015)	(1,586,999)	486,018	2,559,034	4,632,051	
	105%	(4,398,439)	(2,325,422)	(252,406)	1,820,610	3,893,627	
	110%	(5,136,863)	(3,063,846)	(990,830)	1,082,186	3,155,203	

Fig. 70. Large Brownfield Residential – 20% of units at M4(2) and all units at nationally described space standards (LCR2c)

Values			80%	90%	100%	110%	120%
Construction Costs	452,500						
	90%	(2,216,685)	(143,668)	1,929,348	4,002,364	6,075,381	
	95%	(2,955,109)	(882,092)	1,190,924	3,263,940	5,336,957	
	100%	(3,693,532)	(1,620,516)	452,500	2,525,517	4,598,533	
	105%	(4,431,956)	(2,358,940)	(285,924)	1,787,093	3,860,109	
	110%	(5,170,380)	(3,097,364)	(1,024,347)	1,048,669	3,121,685	

8.8 *Figures 68, 69 and 70 assess the impact of elevated policy design standards on viability of a large brownfield housing site in Lancaster. Fig. 68 shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £0.350 million (or approximately £2.3k per unit). Figure 69 shows that applying nationally described spaces standards has a positive affect, increasing the surplus for planning contributions by approximately £100k to £0.486 million (or approximately £3.2k per unit). Figure 70 shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small positive affect, albeit smaller than scenarios LCR2b, increasing the surplus for planning contributions by approximately £69k to £0.453 million (or approximately £3k per unit).*

Lancaster Medium Greenfield Residential Development Sites

Fig. 71. Medium Greenfield Residential (LCR3)

	Values					
Construction	485,668	80%	90%	100%	110%	120%
Costs	90%	(303,395)	307,406	918,208	1,529,010	2,139,811
	95%	(519,665)	91,137	701,938	1,312,740	1,923,541
	100%	(735,935)	(125,133)	485,668	1,096,470	1,707,271
	105%	(952,205)	(341,403)	269,398	880,200	1,491,002
	110%	(1,168,475)	(557,673)	53,129	663,930	1,274,732

8.9 *Fig. 71 demonstrates that based on current values and construction costs, a medium greenfield site (50 units) in Lancaster is viable and, accounting for 30% affordable housing generates a potential surplus for planning contributions of £0.486 million (or approximately £3.2k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.*

Lancaster Medium Brownfield Residential Development Sites

Fig. 72 Medium Brownfield Residential (LCR4)

	Values					
Construction	347,818	80%	90%	100%	110%	120%
Costs	90%	(484,292)	154,274	792,839	1,431,404	2,069,969
	95%	(706,802)	(68,237)	570,328	1,208,894	1,847,459
	100%	(929,313)	(290,748)	347,818	986,383	1,624,948
	105%	(1,151,824)	(513,258)	125,307	763,872	1,402,438
	110%	(1,374,334)	(735,769)	(97,204)	541,362	1,179,927

8.10 *Fig. 72 demonstrates that based on current values and construction costs, a medium brownfield site (50 units) in Lancaster is viable and, accounting for 20% affordable housing generates a potential surplus for planning contributions of £0.348 million (or approximately*

£7k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Lancaster Small Greenfield Residential Development Sites

Fig. 73. Small Greenfield Residential (LCR5)

Values						
Construction Costs	128,006	80%	90%	100%	110%	120%
90%		(139,637)	73,381	286,399	499,416	712,434
95%		(218,833)	(5,816)	207,202	420,220	633,238
100%		(298,030)	(85,012)	128,006	341,024	554,042
105%		(377,226)	(164,208)	48,810	261,828	474,846
110%		(456,422)	(243,404)	(30,386)	182,632	395,649

- 8.11 Fig. 73 demonstrates that based on current values and construction costs, a small greenfield site (15 units) in Lancaster is viable and, accounting for 30% affordable housing generates a potential surplus for planning contributions of £128k (or approximately £8.5k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Fig. 74. Small Greenfield Residential – 20% of units at M4(2) (LCR5a)

Values						
Construction Costs	124,927	80%	90%	100%	110%	120%
90%		(142,716)	70,302	283,320	496,338	709,356
95%		(221,912)	(8,894)	204,124	417,141	630,159
100%		(301,108)	(88,091)	124,927	337,945	550,963
105%		(380,305)	(167,287)	45,731	258,749	471,767
110%		(459,501)	(246,483)	(33,465)	179,553	392,571

Fig. 75. Small Greenfield Residential – all units at nationally described space standards (LCR5b)

Values						
Construction Costs	123,827	80%	90%	100%	110%	120%
90%		(162,328)	65,520	293,367	521,215	749,062
95%		(247,098)	(19,250)	208,597	436,445	664,292
100%		(331,868)	(104,020)	123,827	351,675	579,522
105%		(416,638)	(188,790)	39,057	266,905	494,752
110%		(501,408)	(273,560)	(45,713)	182,135	409,982

Fig. 76. Small Greenfield Residential – 20% of units at M4(2) and all units at nationally described space standards (LCR5c)

Values						
Construction Costs	134,972	80%	90%	100%	110%	120%
90%		(151,183)	76,665	304,512	532,360	760,207
95%		(235,953)	(8,105)	219,742	447,590	675,437
100%		(320,723)	(92,875)	134,972	362,820	590,667
105%		(405,493)	(177,645)	50,202	278,050	505,897
110%		(490,263)	(262,415)	(34,568)	193,280	421,127

8.12 *Figures 74, 75 and 76* assess the impact of elevated policy design standards on the viability of a small greenfield housing site in Lancaster. *Fig. 74* shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £94k (or approximately £6.3k per unit). *Fig. 75* shows that applying national spaces standards has a small negative affect, reducing the surplus for planning contributions by approximately £4k to £124k (or approximately £8.3k per unit). *Fig. 76* shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small positive affect, increasing the surplus for planning contributions by approximately £7k to £135k (or approximately £9k per unit).

Lancaster Small Brownfield Residential Development Sites

Fig. 77. Small Brownfield Residential (LCR6)

	Values					
Construction	77,164	80%	90%	100%	110%	120%
Costs	90%	(205,288)	17,413	240,113	462,814	685,514
	95%	(286,763)	(64,062)	158,638	381,339	604,040
	100%	(368,237)	(145,537)	77,164	299,864	522,565
	105%	(449,712)	(227,011)	(4,311)	218,390	441,090
	110%	(531,187)	(308,486)	(85,786)	136,915	359,615

8.13 *Fig. 77* demonstrates that based on current values and construction costs, a small brownfield site (15 units) is viable and, accounting for 20% affordable housing generates a potential surplus for planning contributions of £0.77k (or approximately £1.2k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Fig. 78. Small Brownfield Residential – 20% of units at M4(2) (LCR6a)

	Values					
Construction	73,777	80%	90%	100%	110%	120%
Costs	90%	(208,675)	14,026	236,727	459,427	682,128
	95%	(290,149)	(67,449)	155,252	377,952	600,653
	100%	(371,624)	(148,923)	73,777	296,478	519,178
	105%	(453,099)	(230,398)	(7,698)	215,003	437,704
	110%	(534,573)	(311,873)	(89,172)	133,528	356,229

Fig. 79. Small Brownfield Residential – all units at nationally described space standards (LCR6b)

Values						
Construction Costs	85,363	80%	90%	100%	110%	120%
90%		(216,628)	21,576	259,780	497,984	736,189
95%		(303,837)	(65,633)	172,571	410,776	648,980
100%		(391,046)	(152,842)	85,363	323,567	561,771
105%		(478,255)	(240,051)	(1,846)	236,358	474,562
110%		(565,464)	(327,259)	(89,055)	149,149	387,353

Fig. 80. Small Brownfield Residential – 20% of units at M4(2) and all units at nationally described space standards (LCR6c)

Values						
Construction Costs	81,976	80%	90%	100%	110%	120%
90%		(220,015)	18,189	256,394	494,598	732,802
95%		(307,224)	(69,019)	169,185	407,389	645,593
100%		(394,433)	(156,228)	81,976	320,180	558,384
105%		(481,641)	(243,437)	(5,233)	232,971	471,176
110%		(568,850)	(330,646)	(92,442)	145,762	383,967

8.14 *Figures 78, 79 and 80* assess the impact of elevated policy design standards on viability of a large brownfield housing site in Lancaster. *Fig. 78* shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £74k (or approximately £5k per unit). *Figure 79* shows that applying nationally described spaces standards has a positive affect, increasing the surplus for planning contributions by approximately £10k to £85k (or approximately £5.7k per unit). *Figure 80* shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small positive affect, albeit smaller than scenarios LCR6b, increasing the surplus for planning contributions by approximately £5k to £82k (or approximately £5.5k per unit).

Lancaster Extra Small Greenfield Residential Development Sites

Fig. 81. Extra Small Greenfield Residential (LCR7)

Values						
Construction Costs	120,248	80%	90%	100%	110%	120%
90%		(10,031)	90,927	191,885	292,843	393,801
95%		(45,850)	55,109	156,067	257,025	357,983
100%		(81,668)	19,290	120,248	221,207	322,165
105%		(117,486)	(16,528)	84,430	185,388	286,346
110%		(153,305)	(52,347)	48,612	149,570	250,528

8.15 *Fig. 81* demonstrates that based on current values and construction costs, an extra small site (6 units) in Lancaster is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £120k (or approximately £20k per unit).

Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Lancaster Large Brownfield Apartment Development Sites

Fig. 82. Large Brownfield Apartment (LCR9)

Values						
Construction Costs	(2,738,658)	80%	90%	100%	110%	120%
90%		(3,637,325)	(2,658,565)	(1,679,804)	(701,044)	277,716
95%		(4,166,751)	(3,187,991)	(2,209,231)	(1,230,471)	(251,711)
100%		(4,696,178)	(3,717,418)	(2,738,658)	(1,759,898)	(781,138)
105%		(5,225,605)	(4,246,845)	(3,268,084)	(2,289,324)	(1,310,564)
110%		(5,755,031)	(4,776,271)	(3,797,511)	(2,818,751)	(1,839,991)

8.16 Fig. 82 demonstrates that based on current values and construction costs, a large brownfield apartment development site (100 units) in Lancaster is likely unviable. Sensitivity analysis demonstrates that significant improvements to market values or construction costs will be necessary for development to become viable.

Lancaster Medium Brownfield Apartment Development Sites

Fig. 83. Medium Brownfield Apartment (LCR10)

Values						
Construction Costs	(1,535,255)	80%	90%	100%	110%	120%
90%		(1,984,588)	(1,495,208)	(1,005,828)	(516,448)	(27,068)
95%		(2,249,301)	(1,759,921)	(1,270,541)	(781,161)	(291,781)
100%		(2,514,015)	(2,024,635)	(1,535,255)	(1,045,874)	(556,494)
105%		(2,778,728)	(2,289,348)	(1,799,968)	(1,310,588)	(821,208)
110%		(3,043,441)	(2,554,061)	(2,064,681)	(1,575,301)	(1,085,921)

8.17 Fig. 83 demonstrates that based on current values and construction costs, a medium brownfield apartment development site (50 units) in Lancaster is also likely unviable. Sensitivity analysis again demonstrates that significant improvements to market values or construction costs will be necessary for development to become viable.

Lancaster Large Brownfield PRS Apartment Development Sites

Fig. 84. Large Brownfield Apartment (LCR11)

Values						
Construction Costs	755,007	80%	90%	100%	110%	120%
90%		(1,165,097)	462,121	2,089,339	3,716,557	5,343,775
95%		(1,780,938)	(153,720)	1,473,498	3,100,716	4,727,934
100%		(2,396,780)	(769,562)	857,657	2,484,875	4,112,093
105%		(3,012,621)	(1,385,403)	241,815	1,869,033	3,496,252
110%		(3,628,462)	(2,001,244)	(374,026)	1,253,192	2,880,410

- 8.18 *Fig. 84* demonstrates that based on current values and construction costs, a large brownfield PRS apartment development site (100 units) in Lancaster is potentially viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £858k (or approximately £8.6k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Lancaster Brownfield Student Accommodation Development Sites

Fig. 85. Medium Brownfield Apartment (LCR12)

Values							
Construction	7,743	80%	90%	100%	110%	120%	
Costs	90%	(1,492,234)	(205,852)	1,080,530	2,366,912	3,653,294	
	95%	(1,977,303)	(690,921)	595,461	1,881,843	3,168,225	
	100%	(2,462,372)	(1,175,990)	110,392	1,396,774	2,683,156	
	105%	(2,947,440)	(1,661,059)	(374,677)	911,705	2,198,087	
	110%	(3,432,509)	(2,146,127)	(859,746)	426,636	1,713,018	

- 8.19 *Fig. 85* demonstrates that based on current values and construction costs, a brownfield student accommodation development site (260 units) in Lancaster is on the margins of viability and, whilst providing nil affordable housing, generates a modest potential surplus for planning contributions of £110k (or approximately £420 per unit). Sensitivity analysis demonstrates that very modest changes to market values or construction costs will result in significant changes to development viability.

Carnforth Residential Development

- 8.20 The following figures show the viability results for the scenarios involving extra small, small, medium and large scale residential developments, on greenfield and brownfield sites in Carnforth:

Carnforth Large Greenfield Residential Development Sites

Fig. 86. Large Greenfield Residential (CFH1)

Values							
Construction	1,098,216	80%	90%	100%	110%	120%	
Costs	90%	(1,107,037)	672,606	2,452,249	4,231,892	6,011,534	
	95%	(1,784,053)	(4,410)	1,775,232	3,554,875	5,334,518	
	100%	(2,461,070)	(681,427)	1,098,216	2,877,859	4,657,502	
	105%	(3,138,086)	(1,358,443)	421,200	2,200,843	3,980,485	
	110%	(3,815,102)	(2,035,459)	(255,816)	1,523,826	3,303,469	

- 8.21 *Fig. 86* demonstrates that based on current values and construction costs, a large greenfield site (150 units) in Carnforth is viable and, accounting for 30% affordable housing

generates a potential surplus for planning contributions of £1.098 million (or approximately £7.3k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Fig. 87. Large Greenfield Residential – 20% of units at M4(2) (CFH1a)

Values			80%	90%	100%	110%	120%
Construction Costs		991,589					
	90%		(1,207,059)	572,584	2,352,227	4,131,870	5,911,513
	95%		(1,887,377)	(107,735)	1,671,908	3,451,551	5,231,194
	100%		(2,567,696)	(788,053)	991,589	2,771,232	4,550,875
	105%		(3,248,015)	(1,468,372)	311,271	2,090,913	3,870,556
	110%		(3,928,334)	(2,148,691)	(369,048)	1,410,595	3,190,237

Fig. 88. Large Greenfield Residential – all units at nationally described space standards (CFH1b)

Values			80%	90%	100%	110%	120%
Construction Costs		1,110,793					
	90%		(1,221,419)	665,525	2,552,468	4,439,412	6,326,355
	95%		(1,942,256)	(55,313)	1,831,631	3,718,574	5,605,518
	100%		(2,663,094)	(776,150)	1,110,793	2,997,737	4,884,680
	105%		(3,383,931)	(1,496,988)	389,956	2,276,899	4,163,843
	110%		(4,104,769)	(2,217,825)	(330,882)	1,556,062	3,443,005

Fig. 89. Large Greenfield Residential – 20% of units at M4(2) and all units at nationally described space standards (CFH1c)

Values			80%	90%	100%	110%	120%
Construction Costs		1,077,583					
	90%		(1,254,629)	632,315	2,519,258	4,406,202	6,293,145
	95%		(1,975,466)	(88,523)	1,798,421	3,685,364	5,572,308
	100%		(2,696,304)	(809,360)	1,077,583	2,964,527	4,851,470
	105%		(3,417,141)	(1,530,198)	356,746	2,243,689	4,130,633
	110%		(4,137,979)	(2,251,035)	(364,092)	1,522,852	3,409,795

8.22 *Figures 87, 88 and 89 assess the impact of elevated policy design standards on the viability of a large greenfield housing site in Carnforth. Fig. 87 shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £0.992 million (or approximately £6.6k per unit). Fig. 88 shows that applying national spaces standards has a small positive affect, increasing the surplus for planning contributions by approximately £12k to £1.111 million (or approximately £7.4k per unit). Figure 89 shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small negative affect, reducing the surplus for planning contributions by approximately £21k to £1.078 million (or approximately £7.2k per unit).*

Carnforth Large Brownfield Residential Development Sites

Fig. 90. Large Brownfield Residential (CFH2)

Values			80%	90%	100%	110%	120%
Construction Costs	241,107						
	90%	(2,080,063)	(219,527)	1,641,008	3,501,544	5,362,080	
	95%	(2,780,014)	(919,478)	941,058	2,801,593	4,662,129	
	100%	(3,479,964)	(1,619,428)	241,107	2,101,643	3,962,179	
	105%	(4,179,914)	(2,319,379)	(458,843)	1,401,693	3,262,228	
	110%	(4,879,865)	(3,019,329)	(1,158,794)	701,742	2,562,278	

8.23 Fig. 90 demonstrates that based on current values and construction costs, a large brownfield site (150 units) is viable in Carnforth and, accounting for 20% affordable housing generates a potential surplus for planning contributions of £0.241 million (or approximately £1.6k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Fig. 91. Large Brownfield Residential – 20% of units at M4(2) (CFH2a)

Values			80%	90%	100%	110%	120%
Construction Costs	228,284						
	90%	(2,092,887)	(232,351)	1,628,184	3,488,720	5,349,256	
	95%	(2,792,837)	(932,302)	928,234	2,788,770	4,649,305	
	100%	(3,492,788)	(1,632,252)	228,284	2,088,819	3,949,355	
	105%	(4,192,738)	(2,332,203)	(471,667)	1,388,869	3,249,404	
	110%	(4,892,689)	(3,032,153)	(1,171,617)	688,918	2,549,454	

Fig. 92. Large Brownfield Residential – all units at nationally described space standards (CFH2b)

	Values					
Construction Costs	370,204	80%	90%	100%	110%	120%
	90%	(2,098,376)	(125,662)	1,847,051	3,819,765	5,792,479
	95%	(2,836,800)	(864,086)	1,108,628	3,081,341	5,054,055
	100%	(3,575,224)	(1,602,510)	370,204	2,342,917	4,315,631
	105%	(4,313,648)	(2,340,934)	(368,220)	1,604,494	3,577,207
	110%	(5,052,071)	(3,079,358)	(1,106,644)	866,070	2,838,783

Fig. 93. Large Brownfield Residential – 20% of units at M4(2) and all units at nationally described space standards (CFH2c)

Values			80%	90%	100%	110%	120%
Construction Costs		336,686					
	90%	(2,131,894)	(159,180)	1,813,534	3,786,248	5,758,961	
	95%	(2,870,317)	(897,604)	1,075,110	3,047,824	5,020,537	
	100%	(3,608,741)	(1,636,028)	336,686	2,309,400	4,282,114	
	105%	(4,347,165)	(2,374,451)	(401,738)	1,570,976	3,543,690	
	110%	(5,085,589)	(3,112,875)	(1,140,161)	832,552	2,805,266	

8.24 *Figures 91, 92 and 93* assess the impact of elevated policy design standards on viability of a large brownfield housing site in Carnforth. *Fig. 91* shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £228k (or approximately £1.5k per unit). *Fig. 92* shows that applying nationally described spaces standards has a positive affect, increasing the surplus for planning contributions by approximately £120k to £0.370 million (or approximately £2.5k per unit). *Fig. 93* shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small positive affect, albeit smaller than scenario CFH2b, increasing the surplus for planning contributions by approximately £69k to £0.337 million (or approximately £2.2k per unit).

Carnforth Medium Greenfield Residential Development Sites

Fig. 94. Medium Greenfield Residential (CFH3)

Values			80%	90%	100%	110%	120%
Construction Costs		316,493					
	90%		(398,409)	182,708	763,825	1,344,942	1,926,059
	95%		(622,075)	(40,958)	540,159	1,121,276	1,702,393
	100%		(845,741)	(264,624)	316,493	897,610	1,478,727
	105%		(1,069,407)	(488,290)	92,827	673,944	1,255,061
	110%		(1,293,073)	(711,957)	(130,840)	450,277	1,031,394

8.25 *Fig. 94* demonstrates that based on current values and construction costs, a medium greenfield site (50 units) in Carnforth is viable and, accounting for 30% affordable housing generates a potential surplus for planning contributions of £316k (or approximately £6.3k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Carnforth Medium Brownfield Residential Development Sites

Fig. 95. Medium Brownfield Residential (CFH4)

Values			80%	90%	100%	110%	120%
Construction Costs		150,826					
	90%		(603,996)	3,535	611,067	1,218,598	1,826,129
	95%		(834,117)	(226,585)	380,946	988,478	1,596,009
	100%		(1,064,237)	(456,706)	150,826	758,357	1,365,888
	105%		(1,294,357)	(686,826)	(79,295)	528,237	1,135,768
	110%		(1,524,478)	(916,947)	(309,415)	298,116	905,648

8.26 *Fig. 95* demonstrates that based on current values and construction costs, a medium brownfield site (50 units) in Carnforth is viable and, accounting for 20% affordable housing generates a potential surplus for planning contributions of £151k (or approximately £3k per

unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Carnforth Small Greenfield Residential Development Sites

Fig. 96. Small Greenfield Residential (CFH5)

Values						
Construction	103,902	80%	90%	100%	110%	120%
Costs						
	90%	(143,022)	59,636	262,295	464,953	667,612
	95%	(222,219)	(19,560)	183,099	385,757	588,416
	100%	(301,415)	(98,756)	103,902	306,561	509,220
	105%	(380,611)	(177,952)	24,706	227,365	430,023
	110%	(459,807)	(257,149)	(54,490)	148,168	350,827

8.27 Fig. 96 demonstrates that based on current values and construction costs, a small greenfield site (15 units) in Carnforth is viable and, accounting for 30% affordable housing generates a potential surplus for planning contributions of £104k (or approximately £6.9k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Fig. 97. Small Greenfield Residential – 20% of units at M4(2) (CFH5a)

Values						
Construction	100,547	80%	90%	100%	110%	120%
Costs						
	90%	(146,378)	56,280	258,939	461,598	664,256
	95%	(225,574)	(22,916)	179,743	382,401	585,060
	100%	(304,771)	(102,112)	100,547	303,205	505,864
	105%	(383,967)	(181,308)	21,350	224,009	426,667
	110%	(463,163)	(260,505)	(57,846)	144,813	347,471

Fig. 98. Small Greenfield Residential – all units at nationally described space standards (CFH5b)

Values						
Construction	117,966	80%	90%	100%	110%	120%
Costs						
	90%	(146,213)	70,647	287,506	504,366	721,226
	95%	(230,983)	(14,123)	202,736	419,596	636,456
	100%	(315,753)	(98,893)	117,966	334,826	551,686
	105%	(400,523)	(183,663)	33,196	250,056	466,916
	110%	(485,293)	(268,433)	(51,574)	165,286	382,146

Fig. 99. Small Greenfield Residential – 20% of units at M4(2) and all units at nationally described space standards (CFH5c)

Values						
Construction	110,123	80%	90%	100%	110%	120%
Costs						
	90%	(154,057)	62,803	279,663	496,523	713,383
	95%	(238,827)	(21,967)	194,893	411,753	628,613
	100%	(323,597)	(106,737)	110,123	326,983	543,843
	105%	(408,367)	(191,507)	25,353	242,213	459,073
	110%	(493,137)	(276,277)	(59,417)	157,443	374,303

8.28 *Figures 97, 98 and 99* assess the impact of elevated policy design standards on the viability of a large greenfield housing site in Lancaster. *Fig. 97* shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £101k million (or approximately £6.7k per unit). *Figure 98* shows that applying national spaces standards has a small positive affect, increasing the surplus for planning contributions by approximately £14k to £118k (or approximately £7.9k per unit). *Fig. 99* shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small positive affect, albeit smaller than scenario CFH5b, increasing the surplus for planning contributions by approximately £6k to £110k (or approximately £7.3k per unit).

Carnforth Small Brownfield Residential Development Sites

Fig. 100. Small Brownfield Residential (CFH6)

Values						
Construction Costs	61,945	80%	90%	100%	110%	120%
90%		(198,847)	13,024	224,894	436,764	648,635
95%		(280,321)	(68,451)	143,419	355,290	567,160
100%		(361,796)	(149,926)	61,945	273,815	485,685
105%		(443,271)	(231,400)	(19,530)	192,340	404,211
110%		(524,745)	(312,875)	(101,005)	110,866	322,736

8.29 *Fig. 100* demonstrates that based on current values and construction costs, a small brownfield site (15 units) in Carnforth is viable and, accounting for 20% affordable housing generates a potential surplus for planning contributions of £0.62k (or approximately £4.1k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Fig. 101. Small Brownfield Residential – 20% of units at M4(2) (CFH6a)

Values						
Construction Costs	58,558	80%	90%	100%	110%	120%
90%		(202,233)	9,637	221,507	433,378	645,248
95%		(283,708)	(71,838)	140,033	351,903	563,773
100%		(365,183)	(153,312)	58,558	270,428	482,299
105%		(446,657)	(234,787)	(22,917)	188,954	400,824
110%		(528,132)	(316,262)	(104,391)	107,479	319,349

Fig. 102. Small Brownfield Residential – all units at nationally described space standards (CFH6b)

Values						
Construction Costs	80,313	80%	90%	100%	110%	120%
90%		(198,703)	28,014	254,731	481,448	708,165
95%		(285,912)	(59,195)	167,522	394,239	620,956
100%		(373,121)	(146,404)	80,313	307,030	533,747
105%		(460,330)	(233,613)	(6,895)	219,822	446,539
110%		(547,538)	(320,821)	(94,104)	132,613	359,330

Fig. 103. Small Brownfield Residential – 20% of units at M4(2) and all units at nationally described space standards (CFH6c)

Values						
Construction Costs	66,435	80%	90%	100%	110%	120%
90%		(212,582)	14,136	240,853	467,570	694,287
95%		(299,790)	(73,073)	153,644	380,361	607,078
100%		(386,999)	(160,282)	66,435	293,152	519,869
105%		(474,208)	(247,491)	(20,774)	205,943	432,660
110%		(561,417)	(334,700)	(107,983)	118,734	345,451

8.30 *Figures 101, 102 and 103* assess the impact of elevated policy design standards on viability of a small brownfield housing site in Carnforth. *Fig. 101* shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £58k (or approximately £3.9k per unit). *Figure 102* shows that applying nationally described spaces standards has a positive affect, increasing the surplus for planning contributions by approximately £18k to £80k (or approximately £5.3k per unit). *Fig. 103* shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small positive affect, albeit smaller than scenario CFH6b, increasing the surplus for planning contributions by approximately £4k to £66k (or approximately £4.4k per unit).

Carnforth Extra Small Greenfield Residential Development Sites

Fig. 104. Extra Small Greenfield Residential (CFH7)

Values						
Construction Costs	100,905	80%	90%	100%	110%	120%
90%		(19,552)	76,495	172,542	268,588	364,635
95%		(55,370)	40,677	136,723	232,770	328,817
100%		(91,189)	4,858	100,905	196,952	292,998
105%		(127,007)	(30,960)	65,087	161,133	257,180
110%		(162,825)	(66,778)	29,268	125,315	221,362

8.31 *Fig. 104* demonstrates that based on current values and construction costs, an extra small site (6 units) in Carnforth is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £101k (or approximately £16.8k per unit).

Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Carnforth Extra Small Greenfield Residential Development Sites

Fig. 105. Extra Small Brownfield Residential (CFH8)

	Values					
Construction	61,987	80%	90%	100%	110%	120%
Costs	90%	(58,470)	37,577	133,624	229,670	325,717
	95%	(94,288)	1,759	97,805	193,852	289,899
	100%	(130,107)	(34,060)	61,987	158,034	254,080
	105%	(165,925)	(69,878)	26,169	122,215	218,262
	110%	(201,743)	(105,696)	(9,650)	86,397	182,444

- 8.32 Fig. 105 demonstrates that based on current values and construction costs, an extra small brownfield site (6 units) in Lancaster is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £62k (or approximately £10.3k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Morecambe & Heysham Residential Development

- 8.33 The following figures show the viability results for the scenarios involving extra small, small, medium and large scale residential developments, on greenfield and brownfield sites in Morecambe and Heysham:

Morecambe and Heysham Large Greenfield Residential Development Sites

Fig. 106. Large Greenfield Residential (MCM1)

	Values					
Construction	777,180	80%	90%	100%	110%	120%
Costs	90%	(1,311,887)	409,663	2,131,213	3,852,763	5,574,313
	95%	(1,988,904)	(267,353)	1,454,197	3,175,747	4,897,297
	100%	(2,665,920)	(944,370)	777,180	2,498,731	4,220,281
	105%	(3,342,936)	(1,621,386)	100,164	1,821,714	3,543,264
	110%	(4,019,952)	(2,298,402)	(576,852)	1,144,698	2,866,248

- 8.34 Fig. 106 demonstrates that based on current values and construction costs, a large greenfield site (150 units) in Morecambe and Heysham is viable and, accounting for 15% affordable housing generates a potential surplus for planning contributions of £0.777 million (or approximately £5.2k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Fig. 107. Large Greenfield Residential – 20% of units at M4(2) (MCM1a)

Values						
Construction	670,554	80%	90%	100%	110%	120%
Costs	90%	(1,411,909)	309,641	2,031,191	3,752,741	5,474,291
	95%	(2,092,228)	(370,678)	1,350,872	3,072,423	4,793,973
	100%	(2,772,547)	(1,050,997)	670,554	2,392,104	4,113,654
	105%	(3,452,865)	(1,731,315)	(9,765)	1,711,785	3,433,335
	110%	(4,133,184)	(2,411,634)	(690,084)	1,031,466	2,753,016

Fig. 108. Large Greenfield Residential – all units at nationally described space standards (MCM1b)

Values						
Construction	771,604	80%	90%	100%	110%	120%
Costs	90%	(1,437,580)	387,850	2,213,279	4,038,709	5,864,139
	95%	(2,158,418)	(332,988)	1,492,442	3,317,872	5,143,302
	100%	(2,879,255)	(1,053,825)	771,604	2,597,034	4,422,464
	105%	(3,600,093)	(1,774,663)	50,767	1,876,197	3,701,627
	110%	(4,320,930)	(2,495,500)	(670,071)	1,155,359	2,980,789

Fig. 109. Large Greenfield Residential – 20% of units at M4(2) and all units at nationally described space standards (MCM1c)

Values						
Construction	738,394	80%	90%	100%	110%	120%
Costs	90%	(1,470,790)	354,640	2,180,069	4,005,499	5,830,929
	95%	(2,191,628)	(366,198)	1,459,232	3,284,662	5,110,092
	100%	(2,912,465)	(1,087,035)	738,394	2,563,824	4,389,254
	105%	(3,633,303)	(1,807,873)	17,557	1,842,987	3,668,417
	110%	(4,354,140)	(2,528,710)	(703,281)	1,122,149	2,947,579

- 8.35 *Figures 107, 108 and 109 assess the impact of elevated policy design standards on the viability of a large greenfield housing site in Morecambe and Heysham. Fig. 107 shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £0.670 million (or approximately £4.5k per unit). Fig. 108 shows that applying national spaces standards has a small negative affect, reducing the surplus for planning contributions by approximately £6k to £0.772 million (or approximately £5.1k per unit). Fig. 109 shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small positive affect, albeit smaller than scenario MCM1b, increasing the surplus for planning contributions by approximately £4k to £66k (or approximately £4.4k per unit).*

Morecambe and Heysham Large Brownfield Residential Development Sites

Fig. 110. Large Brownfield Residential (MCM2)

Values			80%	90%	100%	110%	120%
Construction Costs	237,508						
	90%	(2,025,464)	(194,027)	1,637,409	3,468,845	5,300,282	
	95%	(2,725,414)	(893,978)	937,458	2,768,895	4,600,331	
	100%	(3,425,365)	(1,593,928)	237,508	2,068,944	3,900,381	
	105%	(4,125,315)	(2,293,879)	(462,442)	1,368,994	3,200,430	
	110%	(4,825,266)	(2,993,829)	(1,162,393)	669,043	2,500,480	

8.36 Fig. 110 demonstrates that based on current values and construction costs, a large brownfield site (150 units) is viable in Morecambe and Heysham and, accounting for nil affordable housing generates a potential surplus for planning contributions of £238k (or approximately £1.6k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Fig. 111. Large Brownfield Residential – 20% of units at M4(2) (MCM2a)

Values		Values				
Construction Costs	224,684	80%	90%	100%	110%	120%
	90%	(2,038,288)	(206,851)	1,624,585	3,456,021	5,287,458
	95%	(2,738,238)	(906,802)	924,635	2,756,071	4,587,507
	100%	(3,438,188)	(1,606,752)	224,684	2,056,121	3,887,557
	105%	(4,138,139)	(2,306,703)	(475,266)	1,356,170	3,187,606
	110%	(4,838,089)	(3,006,653)	(1,175,217)	656,220	2,487,656
	115%	(5,538,039)	(3,706,603)	(475,266)	(175,217)	1,787,606

Fig. 112. Large Brownfield Residential – all units at nationally described space standards (MCM2b)

Values			80%	90%	100%	110%	120%
Construction Costs	229,305						
	90%	(2,152,582)	(223,215)	1,706,152	3,635,520	5,564,887	
	95%	(2,891,006)	(961,639)	967,729	2,897,096	4,826,463	
	100%	(3,629,430)	(1,700,063)	229,305	2,158,672	4,088,039	
	105%	(4,367,854)	(2,438,486)	(509,119)	1,420,248	3,349,615	
	110%	(5,106,277)	(3,176,910)	(1,247,543)	681,824	2,611,192	

Fig. 113. Large Brownfield Residential – 20% of units at M4(2) and all units at nationally described space standards (MCM2c)

Values			80%	90%	100%	110%	120%
Construction Costs	332,468						
	90%	(2,074,577)	(132,631)	1,809,316	3,751,262	5,693,209	
	95%	(2,813,001)	(871,055)	1,070,892	3,012,839	4,954,785	
	100%	(3,551,425)	(1,609,478)	332,468	2,274,415	4,216,361	
	105%	(4,289,849)	(2,347,902)	(405,956)	1,535,991	3,477,937	
	110%	(5,028,273)	(3,086,326)	(1,144,380)	797,567	2,739,514	

8.37 *Figures 111, 112 and 113* assess the impact of elevated policy design standards on viability of a large brownfield housing site in Morecambe and Heysham. *Fig. 111* shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £225k (or approximately £1.5k per unit). *Fig. 112* shows that applying nationally described spaces standards has a small negative affect, reducing the surplus for planning contributions by approximately £8k to £230k (or approximately £1.5k per unit). *Fig. 113* shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small positive affect, albeit smaller than scenario MCM1b, increasing the surplus for planning contributions by approximately £95k to £332k (or approximately £2.2k per unit).

Morecambe and Heysham Medium Greenfield Residential Development Sites

Fig. 114. Medium Greenfield Residential (MCM3)

Values						
Construction	216,783	80%	90%	100%	110%	120%
Costs						
90%		(461,063)	101,526	664,115	1,226,704	1,789,293
95%		(684,729)	(122,140)	440,449	1,003,038	1,565,627
100%		(908,395)	(345,806)	216,783	779,372	1,341,961
105%		(1,132,062)	(569,473)	(6,884)	555,705	1,118,294
110%		(1,355,728)	(793,139)	(230,550)	332,039	894,628

8.38 *Fig. 114* demonstrates that based on current values and construction costs, a medium greenfield site (50 units) in Morecambe and Heysham is viable and, accounting for 15% affordable housing generates a potential surplus for planning contributions of £217k (or approximately £1.4k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Morecambe and Heysham Medium Brownfield Residential Development Sites

Fig. 115. Medium Brownfield Residential (MCM4)

Values						
Construction	155,894	80%	90%	100%	110%	120%
Costs						
90%		(580,863)	17,636	616,135	1,214,634	1,813,133
95%		(810,984)	(212,485)	386,014	984,513	1,583,012
100%		(1,041,104)	(442,605)	155,894	754,393	1,352,892
105%		(1,271,225)	(672,726)	(74,227)	524,272	1,122,771
110%		(1,501,345)	(902,846)	(304,347)	294,152	892,651

8.39 *Fig. 115* demonstrates that based on current values and construction costs, a medium brownfield site (50 units) in Morecambe and Heysham is viable and, accounting for nil affordable housing generates a potential surplus for planning contributions of £155k (or

approximately £3k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Morecambe and Heysham Small Greenfield Residential Development Sites

Fig. 116. Small Greenfield Residential (MCM5)

Values						
Construction Costs	107,574	80%	90%	100%	110%	120%
90%		(133,837)	66,065	265,967	465,869	665,771
95%		(213,033)	(13,131)	186,770	386,672	586,574
100%		(292,230)	(92,328)	107,574	307,476	507,378
105%		(371,426)	(171,524)	28,378	228,280	428,182
110%		(450,622)	(250,720)	(50,818)	149,084	348,986

8.40 Fig. 116 demonstrates that based on current values and construction costs, a small greenfield site (15 units) in Morecambe and Heysham is viable and, accounting for 30% affordable housing generates a potential surplus for planning contributions of £108k (or approximately £7.2k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Fig. 117. Small Greenfield Residential – 20% of units at M4(2) (MCM5a)

Values						
Construction Costs	104,218	80%	90%	100%	110%	120%
90%		(137,193)	62,709	262,611	462,513	662,415
95%		(216,389)	(16,487)	183,415	383,317	583,218
100%		(295,585)	(95,684)	104,218	304,120	504,022
105%		(374,782)	(174,880)	25,022	224,924	424,826
110%		(453,978)	(254,076)	(54,174)	145,728	345,630

Fig. 118. Small Greenfield Residential – all units at nationally described space standards (MCM5b)

Values						
Construction Costs	136,822	80%	90%	100%	110%	120%
90%		(121,485)	92,438	306,362	520,285	734,209
95%		(206,255)	7,668	221,592	435,515	649,439
100%		(291,025)	(77,102)	136,822	350,745	564,669
105%		(375,795)	(161,872)	52,052	265,975	479,899
110%		(460,565)	(246,642)	(32,718)	181,205	395,129

Fig. 119. Small Greenfield Residential – 20% of units at M4(2) and all units at nationally described space standards (MCM5c)

Values						
Construction Costs	113,903	80%	90%	100%	110%	120%
90%		(144,404)	69,519	283,443	497,366	711,290
95%		(229,174)	(15,251)	198,673	412,596	626,520
100%		(313,944)	(100,021)	113,903	327,826	541,750
105%		(398,714)	(184,791)	29,133	243,056	456,980
110%		(483,484)	(269,561)	(55,637)	158,286	372,210

- 8.41 *Figures 117, 118 and 119 assess the impact of elevated policy design standards on the viability of a small greenfield housing site in Morecambe and Heysham. Fig. 117 shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £104k (or approximately £6.7k per unit). Figure 118 shows that applying national spaces standards has a small positive affect, increasing the surplus for planning contributions by approximately £29k to £137k (or approximately £9.1k per unit). Fig. 119 shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small positive affect, albeit smaller than scenario MCM1b, increasing the surplus for planning contributions by approximately £8k to £114k (or approximately £7.6k per unit).*

Morecambe and Heysham Small Brownfield Residential Development Sites

Fig. 120. Small Brownfield Residential (MCM6)

Values						
Construction Costs	69,564	80%	90%	100%	110%	120%
90%		(183,949)	24,282	232,513	440,744	648,976
95%		(265,424)	(57,193)	151,039	359,270	567,501
100%		(346,898)	(138,667)	69,564	277,795	486,026
105%		(428,373)	(220,142)	(11,911)	196,320	404,551
110%		(509,848)	(301,617)	(93,386)	114,846	323,077

- 8.42 *Fig. 120 demonstrates that based on current values and construction costs, a small brownfield site (15 units) in Morecambe and Heysham is viable and, accounting for nil affordable housing generates a potential surplus for planning contributions of £70k (or approximately £4.7k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.*

Fig. 121. Small Brownfield Residential – 20% of units at M4(2) (MCM6a)

Values						
Construction	52,631	80%	90%	100%	110%	120%
Costs						
90%		(200,882)	7,349	215,580	423,811	632,042
95%		(282,357)	(74,126)	134,105	342,337	550,568
100%		(363,832)	(155,600)	52,631	260,862	469,093
105%		(445,306)	(237,075)	(28,844)	179,387	387,618
110%		(526,781)	(318,550)	(110,319)	97,912	306,144

Fig. 122. Small Brownfield Residential – all units at nationally described space standards (MCM6b)

Values						
Construction	88,017	80%	90%	100%	110%	120%
Costs						
90%		(183,239)	39,598	262,435	485,271	708,108
95%		(270,448)	(47,611)	175,226	398,063	620,900
100%		(357,657)	(134,820)	88,017	310,854	533,691
105%		(444,866)	(222,029)	808	223,645	446,482
110%		(532,075)	(309,238)	(86,401)	136,436	359,273

Fig. 123. Small Greenfield Residential – 20% of units at M4(2) and all units at nationally described space standards (MCM6c)

Values						
Construction	60,800	80%	90%	100%	110%	120%
Costs						
90%		(210,456)	12,381	235,218	458,055	680,892
95%		(297,665)	(74,828)	148,009	370,846	593,683
100%		(384,874)	(162,037)	60,800	283,637	506,474
105%		(472,082)	(249,246)	(26,409)	196,428	419,265
110%		(559,291)	(336,454)	(113,618)	109,219	332,056

- 8.43 *Figures 121, 122 and 123 assess the impact of elevated policy design standards on viability of a small brownfield housing site in Carnforth. Fig. 121 shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £53k (or approximately £3.5k per unit). Fig. 122 shows that applying nationally described spaces standards has a positive affect, increasing the surplus for planning contributions by approximately £18k to £88k (or approximately £5.9k per unit). Fig. 123 shows that applying national space standards and requiring 20% of units are accessible and adaptable dwellings has a small negative affect, reducing the surplus for planning contributions by approximately £9k to £61k (or approximately £4.1k per unit).*

Morecambe and Heysham Extra Small Greenfield Residential Development Sites

Fig. 124. Extra Small Greenfield Residential (MCM7)

	Values					
Construction Costs	28,946	80%	90%	100%	110%	120%
	90%	(73,112)	13,735	100,583	187,430	274,278
	95%	(108,930)	(22,083)	64,765	151,612	238,459
	100%	(144,749)	(57,901)	28,946	115,794	202,641
	105%	(180,567)	(93,720)	(6,872)	79,975	166,823
	110%	(216,385)	(129,538)	(42,690)	44,157	131,004

8.44 Fig. 124 demonstrates that based on current values and construction costs, an extra small site (6 units) in Morecambe and Heysham is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £28k (or approximately £4.6k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Morecambe and Heysham Extra Small Greenfield Residential Development Sites

Fig. 125. Extra Small Brownfield Residential (MCM8)

	Values					
Construction Costs	(11,427)	80%	90%	100%	110%	120%
	90%	(113,485)	(26,638)	60,210	147,057	233,905
	95%	(149,303)	(62,456)	24,392	111,239	198,086
	100%	(185,122)	(98,274)	(11,427)	75,421	162,268
	105%	(220,940)	(134,093)	(47,245)	39,602	126,450
	110%	(256,758)	(169,911)	(83,063)	3,784	90,631

8.45 Fig. 125 demonstrates that based on current values and construction costs, an extra small brownfield site (6 units) in Morecambe and Heysham is unviable. Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability and that a modest savings on costs or value increase will result in this development being viable.

Rural East Residential Development

8.46 The following figures show the viability results for the scenarios involving single unit, extra small, small and medium scale residential developments, on greenfield and brownfield sites in the Rural East:

Rural East Greenfield Residential Development Sites

Fig. 126. Medium Greenfield Residential (RE1)

Values			80%	90%	100%	110%	120%
Construction Costs	708,120						
	90%	(176,600)	482,030	1,140,659	1,799,289	2,457,918	
	95%	(392,869)	265,760	924,390	1,583,019	2,241,649	
	100%	(609,139)	49,490	708,120	1,366,749	2,025,379	
	105%	(825,409)	(166,780)	491,850	1,150,479	1,809,109	
	110%	(1,041,679)	(383,049)	275,580	934,210	1,592,839	

8.47 Fig. 126 demonstrates that based on current values and construction costs, a medium greenfield site (50 units) in the rural east is viable and, accounting for 40% affordable housing generates a potential surplus for planning contributions of £0.708 million (or approximately £14.2 per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Fig. 127. Medium Greenfield Residential – 20% of units at M4(2) (RE1a)

Values						
Construction Costs	697,050	80%	90%	100%	110%	120%
	90%	(187,670)	470,960	1,129,589	1,788,219	2,446,848
	95%	(403,939)	254,690	913,320	1,571,949	2,230,579
	100%	(620,209)	38,420	697,050	1,355,679	2,014,309
	105%	(836,479)	(177,850)	480,780	1,139,409	1,798,039
	110%	(1,052,749)	(394,119)	264,510	923,140	1,581,769
	120%					

Fig. 128. Medium Greenfield Residential – all units at nationally described space standards (RE1b)

Values			80%	90%	100%	110%	120%
Construction Costs	740,148						
	90%	(195,661)	501,376	1,198,414	1,895,451	2,592,488	
	95%	(424,794)	272,243	969,281	1,666,318	2,363,355	
	100%	(653,927)	43,110	740,148	1,437,185	2,134,222	
	105%	(883,060)	(186,023)	511,015	1,208,052	1,905,089	
	110%	(1,112,193)	(415,155)	281,882	978,919	1,675,956	

8.48 Figures 127 and 128 assess the impact of elevated policy design standards on the viability of a medium greenfield housing site in the rural east. Fig. 127 shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £0.697 million (or approximately £13.9k per unit). Fig. 128 shows that applying national spaces standards has a small positive affect, increasing the surplus for planning contributions by approximately £32k to £0.740 million (or approximately £14.8k per unit).

Rural East Medium Brownfield Residential Development Sites

Fig. 129. Medium Brownfield Residential (RE2)

	Values					
Construction	600,030	80%	90%	100%	110%	120%
Costs						
	90%	(334,934)	355,059	1,045,052	1,735,044	2,425,037
	95%	(557,445)	132,548	822,541	1,512,534	2,202,527
	100%	(779,955)	(89,962)	600,030	1,290,023	1,980,016
	105%	(1,002,466)	(312,473)	377,520	1,067,512	1,757,505
	110%	(1,224,976)	(534,984)	155,009	845,002	1,534,995

8.49 Fig. 129 demonstrates that based on current values and construction costs, a medium brownfield site (50 units) is viable in the rural east and, accounting for 30% affordable housing generates a potential surplus for planning contributions of £0.600 million (or approximately £12k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Fig. 130. Medium Brownfield Residential – 20% of units at M4(2) (RE2a)

	Values					
Construction	544,168	80%	90%	100%	110%	120%
Costs						
	90%	(390,796)	299,196	989,189	1,679,182	2,369,175
	95%	(613,307)	76,686	766,678	1,456,671	2,146,664
	100%	(835,818)	(145,825)	544,168	1,234,161	1,924,153
	105%	(1,058,328)	(368,336)	321,657	1,011,650	1,701,643
	110%	(1,280,839)	(590,846)	99,147	789,139	1,479,132

Fig. 131. Medium Brownfield Residential – all units at nationally described space standards (RE2b)

	Values					
Construction	625,087	80%	90%	100%	110%	120%
Costs						
	90%	(363,882)	366,348	1,096,577	1,826,807	2,557,036
	95%	(599,627)	130,603	860,832	1,591,062	2,321,291
	100%	(835,372)	(105,142)	625,087	1,355,317	2,085,546
	105%	(1,071,116)	(340,887)	389,343	1,119,572	1,849,802
	110%	(1,306,861)	(576,632)	153,598	883,827	1,614,057

8.50 Figures 130 and 131 assess the impact of elevated policy design standards on viability of a large brownfield housing site in the rural east. Fig. 130 shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £0.544 million (or approximately £10.9 per unit). Fig. 131 shows that applying nationally described spaces standards has a positive affect, increasing the surplus for planning contributions by approximately £25k to £0.625 million (or approximately £12.5k per unit).

Rural East Small Greenfield Residential Development Sites

Fig. 132. Small Greenfield Residential (RE3)

	Values					
Construction	227,882	80%	90%	100%	110%	120%
Costs	90%	(75,405)	155,435	386,274	617,114	847,953
	95%	(154,601)	76,238	307,078	537,918	768,757
	100%	(233,797)	(2,958)	227,882	458,721	689,561
	105%	(312,994)	(82,154)	148,686	379,525	610,365
	110%	(392,190)	(161,350)	69,489	300,329	531,168

8.51 Fig. 132 demonstrates that based on current values and construction costs, a small greenfield site (15 units) in the rural east is viable and, accounting for 40% affordable housing generates a potential surplus for planning contributions of £228k (or approximately £15.2k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Fig. 133. Small Greenfield Residential – 20% of units at M4(2) (RE5a)

	Values					
Construction	224,526	80%	90%	100%	110%	120%
Costs	90%	(78,761)	152,079	382,918	613,758	844,598
	95%	(157,957)	72,883	303,722	534,562	765,401
	100%	(237,153)	(6,314)	224,526	455,366	686,205
	105%	(316,349)	(85,510)	145,330	376,169	607,009
	110%	(395,546)	(164,706)	66,134	296,973	527,813

Fig. 134. Small Greenfield Residential – all units at nationally described space standards (RE5b)

	Values					
Construction	242,259	80%	90%	100%	110%	120%
Costs	90%	(81,182)	165,309	411,799	658,290	904,781
	95%	(165,952)	80,539	327,029	573,520	820,011
	100%	(250,722)	(4,231)	242,259	488,750	735,241
	105%	(335,492)	(89,001)	157,489	403,980	650,471
	110%	(420,262)	(173,771)	72,719	319,210	565,701

8.52 Figures 133 and 134 assess the impact of elevated policy design standards on the viability of a small greenfield housing site in the rural east. Fig. 133 shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £225k million (or approximately £15k per unit). Figure 134 shows that applying national spaces standards has a small positive affect, increasing the surplus for planning contributions by approximately £14k to £242k (or approximately £16.1k per unit).

Rural East Small Brownfield Residential Development Sites

Fig. 135. Small Brownfield Residential (RE4)

Values						
Construction	200,798	80%	90%	100%	110%	120%
Costs						
90%	(119,916)	121,916	363,748	605,580	847,412	
95%	(201,391)	40,441	282,273	524,105	765,937	
100%	(282,865)	(41,034)	200,798	442,630	684,462	
105%	(364,340)	(122,508)	119,324	361,156	602,988	
110%	(445,815)	(203,983)	37,849	279,681	521,513	

8.53 Fig. 135 demonstrates that based on current values and construction costs, a small brownfield site (15 units) in the rural east is viable and, accounting for 30% affordable housing generates a potential surplus for planning contributions of £201k (or approximately £13.4k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Fig. 136. Small Brownfield Residential – 20% of units at M4(2) (RE4a)

Values						
Construction	197,412	80%	90%	100%	110%	120%
Costs						
90%	(123,303)	118,529	360,361	602,193	844,025	
95%	(204,777)	37,055	278,886	520,718	762,550	
100%	(286,252)	(44,420)	197,412	439,244	681,076	
105%	(367,727)	(125,895)	115,937	357,769	599,601	
110%	(449,201)	(207,370)	34,462	276,294	518,126	

Fig. 137. Small Brownfield Residential – all units at nationally described space standards (RE4b)

Values						
Construction	213,823	80%	90%	100%	110%	120%
Costs						
90%	(128,216)	130,012	388,241	646,469	904,698	
95%	(215,425)	42,803	301,032	559,260	817,489	
100%	(302,634)	(44,405)	213,823	472,052	730,280	
105%	(389,843)	(131,614)	126,614	384,843	643,071	
110%	(477,052)	(218,823)	39,405	297,634	555,862	

8.54 Figures 136 and 137 assess the impact of elevated policy design standards on viability of a small brownfield housing site in Carnforth. Fig. 136 shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £197k (or approximately £13.1k per unit). Fig. 137 shows that applying nationally described spaces standards has a positive affect, increasing the surplus for planning contributions by approximately £13k to £214k (or approximately £14.3k per unit).

Rural East Extra Small Greenfield Residential Development Sites

Fig. 138. Extra Small Greenfield Residential (RE5)

	Values					
Construction Costs	217,220	80%	90%	100%	110%	120%
	90%	60,824	174,841	288,857	402,874	516,890
	95%	25,006	139,022	253,039	367,055	481,072
	100%	(10,813)	103,204	217,220	331,237	445,253
	105%	(46,631)	67,386	181,402	295,419	409,435
	110%	(82,449)	31,567	145,584	259,600	373,617

8.55 Fig. 138 demonstrates that based on current values and construction costs, an extra small site (6 units) in the rural east is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £217k (or approximately £36.2k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Rural East Extra Small Brownfield Residential Development Sites

Fig. 139. Extra Small Brownfield Residential (RE6)

	Values					
Construction Costs	175,711	80%	90%	100%	110%	120%
	90%	19,315	133,331	247,348	361,364	475,381
	95%	(16,504)	97,513	211,529	325,546	439,562
	100%	(52,322)	61,695	175,711	289,728	403,744
	105%	(88,140)	25,876	139,893	253,909	367,926
	110%	(123,959)	(9,942)	104,074	218,091	332,107

8.56 Fig. 139 demonstrates that based on current values and construction costs, an extra small brownfield site (6 units) in the rural east is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £176k (or approximately £29.3k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Rural East Single Unit Greenfield Residential Development Sites

Fig. 140. Single Unit Brownfield Residential (RE7)

	Values					
Construction Costs	41,998	80%	90%	100%	110%	120%
	90%	1,593	30,828	60,063	89,298	118,533
	95%	(7,439)	21,796	51,031	80,266	109,501
	100%	(16,472)	12,763	41,998	71,233	100,468
	105%	(25,504)	3,731	32,966	62,201	91,436
	110%	(34,537)	(5,302)	23,933	53,168	82,403

8.57 *Fig. 140* demonstrates that based on current values and construction costs, an extra small brownfield site (6 units) in the rural east is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £42k (or approximately £21k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Rural West Residential Development

8.58 The following figures show the viability results for the scenarios involving single unit, extra small, small and medium scale residential developments, on greenfield and brownfield sites in the Rural West:

Rural West Greenfield Residential Development Sites

Fig. 141. Medium Greenfield Residential (RW1)

Values						
Construction Costs	659,130	80%	90%	100%	110%	120%
90%		(192,754)	456,854	1,106,463	1,756,071	2,405,680
95%		(416,421)	233,188	882,796	1,532,405	2,182,013
100%		(640,087)	9,522	659,130	1,308,739	1,958,347
105%		(863,753)	(214,145)	435,464	1,085,072	1,734,681
110%		(1,087,419)	(437,811)	211,798	861,406	1,511,015

8.59 *Fig. 141* demonstrates that based on current values and construction costs, a medium greenfield site (50 units) in the rural west is viable and, accounting for 30% affordable housing generates a potential surplus for planning contributions of £0.659 million (or approximately £13.2k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Fig. 142. Medium Greenfield Residential – 20% of units at M4(2) (RW1a)

Values						
Construction Costs	603,780	80%	90%	100%	110%	120%
90%		(248,104)	401,504	1,051,113	1,700,721	2,350,330
95%		(471,771)	177,838	827,446	1,477,055	2,126,663
100%		(695,437)	(45,828)	603,780	1,253,389	1,902,997
105%		(919,103)	(269,495)	380,114	1,029,722	1,679,331
110%		(1,142,769)	(493,161)	156,448	806,056	1,455,665

Fig. 143. Medium Greenfield Residential – all units at nationally described space standards (RW1b)

	Values					
Construction	704,428	80%	90%	100%	110%	120%
Costs						
	90%	(199,896)	489,258	1,178,413	1,867,567	2,556,722
	95%	(436,889)	252,266	941,420	1,630,575	2,319,729
	100%	(673,881)	15,273	704,428	1,393,582	2,082,736
	105%	(910,874)	(221,720)	467,435	1,156,589	1,845,744
	110%	(1,147,867)	(458,712)	230,442	919,597	1,608,751

8.60 *Figures 142 and 143* assess the impact of elevated policy design standards on the viability of a medium greenfield housing site in the rural east. *Fig. 142* shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £0.604 million (or approximately £12.1k per unit). *Fig. 143* shows that applying national spaces standards has a small positive affect, increasing the surplus for planning contributions by approximately £45k to £0.704 million (or approximately £14.1k per unit).

Rural West Medium Brownfield Residential Development Sites

Fig. 144. Medium Brownfield Residential (RW2)

	Values					
Construction	526,778	80%	90%	100%	110%	120%
Costs						
	90%	(371,253)	307,883	987,019	1,666,155	2,345,292
	95%	(601,374)	77,763	756,899	1,436,035	2,115,171
	100%	(831,494)	(152,358)	526,778	1,205,914	1,885,051
	105%	(1,061,614)	(382,478)	296,658	975,794	1,654,930
	110%	(1,291,735)	(612,599)	66,537	745,674	1,424,810

8.61 *Fig. 144* demonstrates that based on current values and construction costs, a medium brownfield site (50 units) is viable in the rural east and, accounting for 20% affordable housing generates a potential surplus for planning contributions of £0.526 million (or approximately £10.5k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Fig. 145. Medium Brownfield Residential – 20% of units at M4(2) (RW2a)

	Values					
Construction	470,916	80%	90%	100%	110%	120%
Costs						
	90%	(427,116)	252,021	931,157	1,610,293	2,289,429
	95%	(657,236)	21,900	701,036	1,380,172	2,059,309
	100%	(887,356)	(208,220)	470,916	1,150,052	1,829,188
	105%	(1,117,477)	(438,341)	240,795	919,932	1,599,068
	110%	(1,347,597)	(668,461)	10,675	689,811	1,368,947

Fig. 146. Medium Brownfield Residential – all units at nationally described space standards (RW2b)

Values						
Construction Costs	564,524	80%	90%	100%	110%	120%
90%		(388,773)	331,707	1,052,186	1,772,666	2,493,146
95%		(632,604)	87,875	808,355	1,528,835	2,249,314
100%		(876,436)	(155,956)	564,524	1,285,003	2,005,483
105%		(1,120,267)	(399,787)	320,692	1,041,172	1,761,652
110%		(1,364,098)	(643,619)	76,861	797,341	1,517,820

8.62 *Figures 145 and 146* assess the impact of elevated policy design standards on viability of a large brownfield housing site in the rural west. *Fig. 145* shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £0.471 million (or approximately £9.4 per unit). *Fig. 146* shows that applying nationally described spaces standards has a positive affect, increasing the surplus for planning contributions by approximately £39k to £0.565 million (or approximately £11.3k per unit).

Rural West Small Greenfield Residential Development Sites

Fig. 147. Small Greenfield Residential (RW3)

Values						
Construction Costs	252,267	80%	90%	100%	110%	120%
90%		(44,114)	183,273	410,659	638,046	865,433
95%		(123,310)	104,076	331,463	558,850	786,237
100%		(202,506)	24,880	252,267	479,654	707,040
105%		(281,703)	(54,316)	173,071	400,457	627,844
110%		(360,899)	(133,512)	93,874	321,261	548,648

8.63 *Fig. 147* demonstrates that based on current values and construction costs, a small greenfield site (15 units) in the rural east is viable and, accounting for 30% affordable housing generates a potential surplus for planning contributions of £252k (or approximately £16.8k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Fig. 148. Small Greenfield Residential – 20% of units at M4(2) (RW5a)

Values						
Construction Costs	248,911	80%	90%	100%	110%	120%
90%		(47,470)	179,917	407,304	634,690	862,077
95%		(126,666)	100,721	328,107	555,494	782,881
100%		(205,862)	21,524	248,911	476,298	703,684
105%		(285,059)	(57,672)	169,715	397,102	624,488
110%		(364,255)	(136,868)	90,519	317,905	545,292

Fig. 149. Small Greenfield Residential – all units at nationally described space standards (RW5b)

Values						
Construction Costs	273,933	80%	90%	100%	110%	120%
90%		(43,339)	200,067	443,473	686,880	930,286
95%		(128,109)	115,297	358,703	602,110	845,516
100%		(212,879)	30,527	273,933	517,340	760,746
105%		(297,649)	(54,243)	189,163	432,570	675,976
110%		(382,419)	(139,013)	104,393	347,800	591,206

8.64 *Figures 148 and 149* assess the impact of elevated policy design standards on the viability of a small greenfield housing site in the rural east. *Fig. 148* shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £249k million (or approximately £16.6k per unit). *Figure 149* shows that applying national spaces standards has a small positive affect, increasing the surplus for planning contributions by approximately £22k to £274k (or approximately £18.3k per unit).

Rural West Small Brownfield Residential Development Sites

Fig. 150. Small Brownfield Residential (RW4)

Values						
Construction Costs	218,616	80%	90%	100%	110%	120%
90%		(93,879)	143,843	381,566	619,288	857,011
95%		(175,354)	62,369	300,091	537,814	775,536
100%		(256,829)	(19,106)	218,616	456,339	694,061
105%		(338,303)	(100,581)	137,142	374,864	612,587
110%		(419,778)	(182,055)	55,667	293,389	531,112

8.65 *Fig. 150* demonstrates that based on current values and construction costs, a small brownfield site (15 units) in the rural east is viable and, accounting for 20% affordable housing generates a potential surplus for planning contributions of £219k (or approximately £14.6k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Fig. 151. Small Brownfield Residential – 20% of units at M4(2) (RW4a)

Values						
Construction Costs	201,683	80%	90%	100%	110%	120%
90%		(110,812)	126,910	364,633	602,355	840,078
95%		(192,287)	45,435	283,158	520,880	758,603
100%		(273,762)	(36,039)	201,683	439,406	677,128
105%		(355,236)	(117,514)	120,209	357,931	595,653
110%		(436,711)	(198,989)	38,734	276,456	514,179

Fig. 152. Small Brownfield Residential – all units at nationally described space standards (RW4b)

Values						
Construction Costs	238,761	80%	90%	100%	110%	120%
90%		(95,762)	158,708	413,178	667,648	922,119
95%		(182,971)	71,499	325,970	580,440	834,910
100%		(270,180)	(15,709)	238,761	493,231	747,701
105%		(357,388)	(102,918)	151,552	406,022	660,492
110%		(444,597)	(190,127)	64,343	318,813	573,283

8.66 *Figures 151 and 152* assess the impact of elevated policy design standards on viability of a small brownfield housing site in Carnforth. *Fig. 151* shows the impact of requiring 20% of units are accessible and adaptable dwellings in accordance with Building Regulations optional requirement M4(2), showing that whilst the surplus for planning contributions is reduced slightly, development surplus is £201k (or approximately £13.4k per unit). *Fig. 152* shows that applying nationally described spaces standards has a positive affect, increasing the surplus for planning contributions by approximately £20k to £239k (or approximately £15.9k per unit).

Rural West Extra Small Greenfield Residential Development Sites

Fig. 153. Extra Small Greenfield Residential (RW5)

Values						
Construction Costs	172,782	80%	90%	100%	110%	120%
90%		29,859	137,139	244,419	351,699	458,979
95%		(5,959)	101,321	208,601	315,881	423,160
100%		(41,778)	65,502	172,782	280,062	387,342
105%		(77,596)	29,684	136,964	244,244	351,524
110%		(113,414)	(6,134)	101,146	208,425	315,705

8.67 *Fig. 153* demonstrates that based on current values and construction costs, an extra small site (6 units) in the rural east is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £173k (or approximately £28.8k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result if significant changes to development viability.

Rural West Extra Small Greenfield Residential Development Sites

Fig. 154. Extra Small Brownfield Residential (RW6)

	Values					
Construction	132,740	80%	90%	100%	110%	120%
Costs	90%	(10,183)	97,097	204,377	311,657	418,937
	95%	(46,001)	61,279	168,559	275,839	383,119
	100%	(81,820)	25,460	132,740	240,020	347,300
	105%	(117,638)	(10,358)	96,922	204,202	311,482
	110%	(153,456)	(46,176)	61,104	168,384	275,664

8.68 Fig. 154 demonstrates that based on current values and construction costs, an extra small brownfield site (6 units) in the rural east is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £132k (or approximately £22.2k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Rural West Single Unit Greenfield Residential Development Sites

Fig. 155. Single Unit Brownfield Residential (RW7)

	Values					
Construction	12,827	80%	90%	100%	110%	120%
Costs	90%	(23,820)	3,536	30,892	58,248	85,604
	95%	(32,852)	(5,496)	21,860	49,216	76,572
	100%	(41,885)	(14,529)	12,827	40,183	67,539
	105%	(50,918)	(23,562)	3,794	31,150	58,506
	110%	(59,950)	(32,594)	(5,238)	22,118	49,474

8.69 Fig. 155 demonstrates that based on current values and construction costs, an extra small brownfield site (6 units) in the rural east is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £13k (or approximately £6.5k per unit). Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Commercial Development

8.70 The following figures show the viability results for the scenarios involving mixed use, employment and retail developments, on greenfield and brownfield sites in the district:

Medium Mixed Use Development Sites in Lancaster

Fig. 156. Medium Use Brownfield Development (M1)

Values		80%	90%	100%	110%	120%
Construction Costs	130,500					
	90%	(579,611)	(42,190)	495,232	1,032,654	1,570,076
	95%	(761,978)	(224,556)	312,866	850,288	1,387,709
	100%	(944,344)	(406,922)	130,500	667,921	1,205,343
	105%	(1,126,710)	(589,288)	(51,867)	485,555	1,022,977
	110%	(1,309,076)	(771,655)	(234,233)	303,189	840,611

8.71 Fig. 156 demonstrates that based on current values and construction costs, a medium mixed use brownfield site in Lancaster is viable and, whilst providing nil affordable housing, generates a potential surplus for planning contributions of £131k. Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Medium / Large Greenfield Business Park Development Site in Lancaster

Fig. 157. Medium / Large Greenfield Business Park Development (C1)

Values		80%	90%	100%	110%	120%
Construction Costs	(1,791,940)					
	90%	(2,506,698)	(1,744,666)	(982,634)	(220,601)	541,431
	95%	(2,911,352)	(2,149,319)	(1,387,287)	(625,255)	136,778
	100%	(3,316,005)	(2,553,973)	(1,791,940)	(1,029,908)	(267,875)
	105%	(3,720,658)	(2,958,626)	(2,196,593)	(1,434,561)	(672,529)
	110%	(4,125,311)	(3,363,279)	(2,601,247)	(1,839,214)	(1,077,182)

8.72 Fig. 157 demonstrates that based on current values and construction costs, a medium / large greenfield business park development site in Lancaster is likely unviable. Sensitivity analysis demonstrates that significant improvements to market values or construction costs will be necessary for development to become viable.

Medium / Large Brownfield Business Park Development Site in Lancaster

Fig. 158. Medium / Large Brownfield Business Park Development (C2)

Values		80%	90%	100%	110%	120%
Construction Costs	(2,479,448)					
	90%	(3,194,207)	(2,432,174)	(1,670,142)	(908,110)	(146,077)
	95%	(3,598,860)	(2,836,828)	(2,074,795)	(1,312,763)	(550,731)
	100%	(4,003,513)	(3,241,481)	(2,479,448)	(1,717,416)	(955,384)
	105%	(4,408,166)	(3,646,134)	(2,884,102)	(2,122,069)	(1,360,037)
	110%	(4,812,820)	(4,050,787)	(3,288,755)	(2,526,723)	(1,764,690)

8.73 *Fig. 158* demonstrates that based on current values and construction costs, a medium / large brownfield business park development site in Lancaster is likely unviable. Sensitivity analysis demonstrates that significant improvements to market values or construction costs will be necessary for development to become viable.

Small / Medium Greenfield Business Park Development Site in Carnforth

Fig. 159. Small / Medium Greenfield Business Park Development (C3)

Values							
Construction Costs	(882,066)	80%	90%	100%	110%	120%	
90%		(1,272,754)	(875,083)	(477,412)	(79,741)	317,930	
95%		(1,475,081)	(1,077,410)	(679,739)	(282,068)	115,603	
100%		(1,677,408)	(1,279,737)	(882,066)	(484,395)	(86,724)	
105%		(1,879,734)	(1,482,063)	(1,084,392)	(686,721)	(289,050)	
110%		(2,082,061)	(1,684,390)	(1,286,719)	(889,048)	(491,377)	

8.74 *Fig. 159* demonstrates that based on current values and construction costs, a small / medium greenfield business park development site in Carnforth is likely unviable. Sensitivity analysis demonstrates that significant improvements to market values or construction costs will be necessary for development to become viable.

Small / Medium Brownfield Business Park Development Site in Carnforth

Fig. 160. Small / Medium Brownfield Business Park Development (C4)

Values							
Construction Costs	(1,311,758)	80%	90%	100%	110%	120%	
90%		(1,702,447)	(1,304,776)	(907,105)	(509,434)	(111,763)	
95%		(1,904,774)	(1,507,103)	(1,109,432)	(711,761)	(314,090)	
100%		(2,107,100)	(1,709,429)	(1,311,758)	(914,087)	(516,416)	
105%		(2,309,427)	(1,911,756)	(1,514,085)	(1,116,414)	(718,743)	
110%		(2,511,754)	(2,114,083)	(1,716,412)	(1,318,740)	(921,069)	

8.75 *Fig. 160* demonstrates that based on current values and construction costs, a small / medium brownfield business park development site in Carnforth is likely unviable. Sensitivity analysis demonstrates that significant improvements to market values or construction costs will be necessary for development to become viable.

Medium / Large Greenfield Industrial / Logistics Development Site in Heysham

Fig. 161. Medium / Large Greenfield Industrial / Logistics Development (C5)

Values						
Construction Costs	(2,380,342)	80%	90%	100%	110%	120%
90%	(3,947,362)	(2,406,074)	(864,787)	676,501	2,217,788	
95%	(4,705,139)	(3,163,852)	(1,622,564)	(81,277)	1,460,011	
100%	(5,462,917)	(3,921,629)	(2,380,342)	(839,054)	702,233	
105%	(6,220,694)	(4,679,407)	(3,138,120)	(1,596,832)	(55,545)	
110%	(6,978,472)	(5,437,185)	(3,895,897)	(2,354,610)	(813,322)	

8.76 Fig. 161 demonstrates that based on current values and construction costs, a medium / large greenfield industrial / logistics development site in Heysham is likely unviable. Sensitivity analysis demonstrates that significant improvements to market values or construction costs will be necessary for development to become viable.

Medium / Large Brownfield Industrial / Logistics Development Site in Heysham

Fig. 162. Medium / Large Brownfield Industrial / Logistics Development (C6)

Values						
Construction Costs	(3,768,580)	80%	90%	100%	110%	120%
90%	(5,335,600)	(3,794,312)	(2,253,025)	(711,737)	829,550	
95%	(6,093,377)	(4,552,090)	(3,010,802)	(1,469,515)	71,773	
100%	(6,851,155)	(5,309,867)	(3,768,580)	(2,227,292)	(686,005)	
105%	(7,608,932)	(6,067,645)	(4,526,357)	(2,985,070)	(1,443,782)	
110%	(8,366,710)	(6,825,422)	(5,284,135)	(3,742,847)	(2,201,560)	

8.77 Fig. 162 demonstrates that based on current values and construction costs, a medium / large brownfield industrial / logistics development site in Heysham is likely unviable. Sensitivity analysis demonstrates that significant improvements to market values or construction costs will be necessary for development to become viable.

Small / Medium Rural Greenfield Business Park Development Site

Fig. 163. Small / Medium Rural Greenfield Business Park Development (C7)

Values						
Construction Costs	(1,742,329)	80%	90%	100%	110%	120%
90%	(1,949,263)	(1,645,819)	(1,342,374)	(1,038,930)	(735,486)	
95%	(2,149,240)	(1,845,796)	(1,542,352)	(1,238,908)	(935,463)	
100%	(2,349,218)	(2,045,774)	(1,742,329)	(1,438,885)	(1,135,441)	
105%	(2,549,195)	(2,245,751)	(1,942,307)	(1,638,863)	(1,335,418)	
110%	(2,749,173)	(2,445,729)	(2,142,284)	(1,838,840)	(1,535,396)	

8.78 Fig. 163 demonstrates that based on current values and construction costs, a small / medium greenfield business park development site in a rural location is likely unviable.

Sensitivity analysis demonstrates that significant improvements to market values or construction costs will be necessary for development to become viable.

Retail Foodstore Development Sites

Fig. 164. Brownfield Retail Foodstore Development Site (C8)

Values			80%	90%	100%	110%	120%
Construction Costs		1,641,216					
	90%		859,982	1,323,478	1,786,975	2,250,471	2,713,968
	95%		787,102	1,250,599	1,714,095	2,177,592	2,641,089
	100%		714,223	1,177,720	1,641,216	2,104,713	2,568,209
	105%		641,344	1,104,840	1,568,337	2,031,833	2,495,330
	110%		568,464	1,031,961	1,495,457	1,958,954	2,422,451

8.79 Fig. 164 demonstrates that based on current values and construction costs, a brownfield retail foodstore development site is viable and generates a potential surplus for planning contributions of £1.641 million. Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

Retail Warehouse Development Sites

Fig. 165. Brownfield Retail Warehouse Development Sites (C9)

Values			80%	90%	100%	110%	120%
Construction Costs		2,930,625					
	90%		1,676,073	2,505,877	3,335,681	4,165,484	4,995,288
	95%		1,473,545	2,303,349	3,133,153	3,962,956	4,792,760
	100%		1,271,017	2,100,821	2,930,625	3,760,429	4,590,232
	105%		1,068,490	1,898,293	2,728,097	3,557,901	4,387,704
	110%		865,962	1,695,765	2,525,569	3,355,373	4,185,177

8.80 Fig. 165 demonstrates that based on current values and construction costs, a brownfield retail warehouse development site is viable and generates a potential surplus for planning contributions of £2.931 million. Sensitivity analysis demonstrates that modest changes to market values or construction costs will result in significant changes to development viability.

9. Conclusions and Recommendations

- 9.1 LSH was appointed by Lancaster City Council in October 2017 to advise on and prepare an Economic Viability Assessment ('LPVA') covering a representative range of housing, commercial and employment development sites. This LPVA will form part of the evidence base for a new all-encompassing Lancaster Local Plan.
- 9.2 This LPVA is envisaged to constitute 'stage one' of a two stage process, with the emphasis herein being on a generic, formula based approach to assess the viability of an appropriate spectrum of representative types of development scenario within the District in accordance with best practice. The primary objectives of this exercise is to provide an information base to determine the viability of a broad sample of development scenarios representative of merging site allocations.
- 9.3 Detailed viability analysis of the four emerging strategic housing sites will be assessed in the second stage of this process. This will need to consider the specific costs of delivering these sites, including all infrastructure works (including highways, services and utilities, community and green infrastructure, etc.) and likely s106 contributions, test the extent of affordable housing which can be viably delivered within potential or emerging site allocations and include analysis of the emerging Local Plan Policy and its impact on development viability.
- 9.4 When considering the deliverability of the emerging Lancaster Local Plan it is also useful to consider paragraph 154 of the NPPF.
- Local Plans should be aspirational but realistic. They should address the spatial implications of economic, social and environmental change. Local Plans should set out the opportunities for development and clear policies on what will or will not be permitted and where. Only policies that provide a clear indication of how a decision maker should react to a development proposal should be included in the plan.*
- 9.5 Thus, whilst it important that emerging Local Plan policy is realistic and informed by careful viability analysis, the Plan should be aspirational. The emerging Local Plan will need to consider and identify how viable development can be achieved.
- 9.6 Overall the viability modelling at this first stage identifies a mixed picture of viability. This picture is not uncommon with our experience of site specific and plan wide viability in neighbouring authorities and across the wider region. The viability modelling shows:
- That residential development across the district is viable, although there are variations between each of the market areas.

- In Lancaster itself:
 - Large, medium and small greenfield development sites will deliver 30% affordable housing and a reasonable surplus for planning contributions (whether s106, CIL or physical works).
 - Large, medium and small brownfield development sites (again irrespective of size) will deliver 20% affordable housing and a reasonable surplus for planning contributions.
 - The extra small housing sites are below the national policy threshold to provide affordable housing. However, these sites will provide a reasonable surplus for planning contributions.
 - The introduction of elevated policy standards, requiring 20% of units are accessible and adaptable in accordance with Building Regulations M4(2) has a modest, but not significant impact on viability, reducing the potential surplus for planning contributions very slightly.
 - Equally, the application of nationally described space standards to sites wouldn't adversely affect development viability, having only a modest impact and generally reducing only very slightly the potential surplus for planning contributions.
 - The application of nationally described space standards, combined with requiring 20% of units are accessible and adaptable in accordance with Building Regulations M4 (2) has a modest, but not significant impact on viability, generally reducing the potential surplus for planning contributions very slightly.
 - Large and medium brownfield apartments sites aren't viable based on the sales value and build cost assumptions adopted in the appraisal. Significant sales value growth will be necessary for such development to be viable.
 - Brownfield PRS and student accommodation schemes are potentially viable and will provide a reasonable surplus for planning contributions on the basis of nil affordable housing contribution.
- In Carnforth:
 - In common with Lancaster, greenfield development sites (irrespective of size) will deliver 30% affordable housing and a reasonable surplus for planning contributions.

- In common with Lancaster, browfield development sites (again irrespective of size) will deliver 20% affordable housing and a reasonable surplus for planning contributions.
 - The extra small housing sites are below the national policy threshold to provide affordable housing. However, these sites will provide a reasonable surplus for planning contributions.
 - In common with Lancaster, the introduction of elevated policy standards, requiring 20% of dwellings are accessible and adaptable in accordance with Building Regulations M4(2) has a modest, but not significant impact on viability, reducing the potential surplus for planning contributions very slightly.
 - Equally and in common with Lancaster, the application of nationally described space standards to housing sites wouldn't adversely affect development viability, having only a modest impact and generally reducing only very slightly the potential surplus for planning contributions.
 - Again, in common with Lancaster, the application of nationally described space standards, combined with requiring 20% of units are accessible and adaptable in accordance with Building Regulations M4 (2) has a modest, but not significant impact on viability, generally reducing the potential surplus for planning contributions very slightly.
- In Morecambe and Heysham:
 - Large and medium greenfield development sites will deliver 15% affordable housing and a reasonable surplus for planning .
 - Small greenfield development sites will deliver 10% affordable housing and a reasonable surplus for planning.
 - Extra small greenfield development sites will deliver nil affordable housing, but a reasonable surplus for planning contributions.
 - Browfield development sites (irrespective of size) are viable, but only on the basis of nil affordable housing, but a modest surplus for planning contributions.
 - Again, the introduction of elevated policy standards, requiring 20% of dwellings are accessible and adaptable in accordance with Building Regulations M4(2) has a modest, but not significant impact on viability, reducing the potential surplus for planning contributions very slightly.

- Equally, the application of nationally described space standards to housing sites wouldn't adversely affect development viability, having only a modest impact and generally reducing only very slightly the potential surplus for planning contributions.
- The application of nationally described space standards, combined with requiring 20% of units are accessible and adaptable in accordance with Building Regulations M4 (2) has a modest, but not significant impact on viability, generally reducing the potential surplus for planning contributions very slightly.
- In the Rural East:
 - Medium and small greenfield development sites will deliver 40% affordable housing and a reasonable surplus for planning contributions.
 - Medium and small browfield development sites will deliver 30% affordable housing and a reasonable surplus for planning contributions.
 - The extra small housing sites are below the national policy threshold to provide affordable housing. However, these sites will provide a reasonable surplus for planning contributions.
 - In common with other market areas, the introduction of elevated policy standards, requiring 20% of dwellings are accessible and adaptable in accordance with Building Regulations M4(2) has a modest, but not significant impact on viability, reducing the potential surplus for planning contributions very slightly.
 - Equally and in common with other market areas, the application of nationally described space standards to housing sites wouldn't adversely affect development viability, having only a modest impact and generally reducing only very slightly the potential surplus for planning contributions.
- In the Rural West:
 - Medium and small greenfield development sites will deliver 30% affordable housing and a reasonable surplus for planning contributions.
 - Medium and small browfield development sites will deliver 20% affordable housing and a reasonable surplus for planning contributions.
 - The extra small housing sites are below the national policy threshold to provide affordable housing. However, these sites will provide a reasonable surplus for planning contributions.

- In common with other market areas, the introduction of elevated policy standards, requiring 20% of dwellings are accessible and adaptable in accordance with Building Regulations M4(2) has a modest, but not significant impact on viability, reducing the potential surplus for planning contributions very slightly.
 - Equally and in common with other market areas, the application of nationally described space standards to housing sites wouldn't adversely affect development viability, having only a modest impact and generally reducing only very slightly the potential surplus for planning contributions.
 - That retail development on brownfield sites is viable and generates a significant surplus for elevated planning policy requirements and s106 contributions.
 - The mixed use brownfield development is unviable based upon adopted values and build costs.
 - That employment (office / industrial / logistics) development is unviable based upon adopted values and build costs.
- 9.7 This first stage of the Local Plan viability assessment process provides a mixed picture on viability with a number of scenarios providing a surplus for affordable housing, elevated planning policy requirements and s106 contributions.
- 9.8 This first stage of the viability assessment process provides baseline market evidence and viability modelling for future detailed analysis of the emerging strategic site allocations.
- 9.9 The 'stage one' findings also identify that employment development across the District has potential viability challenges. These types of development will be unlikely to deliver elevated policy standards or s106 contributions. Rather, careful consideration will need to be given through the application of Local Plan policy and the determination of future planning applications towards how these sites and types of development can be delivered.
- 9.10 The viability modelling assumes that development will be delivered speculatively by housebuilders and developers in exchange for a reasonable development profit. This approach to assessing development viability follows national guidance and recognised practise. However, a range of developments, including business premises, retail stores, affordable housing schemes and self-build housing, will be occupier or operator led and rely on different financial rational. Employment, commercial, mixed use and appropriate residential sites should appropriately be identified to meet this potential demand.
- 9.11 Lancaster district and the wider region also has a long record of realising development (including major employment developments) that have been assisted through public sector

funding support or enabling development. The future context for public sector funding assistance (particularly in light of Brexit) is unclear. However, opportunities for public sector support or enabling development are being utilised to advance otherwise unviable commercial developments in neighbouring authorities and across the wider region. Examples include:

- Direct development delivery by public sector organisations
- Public sector organisations providing income strip guarantees to developers to support development viability
- Enabling development, whereby high value uses are included to cross-subsidise unviable development elements to provide reasonable returns to landowner and developer

9.12 These options to enhance development viability should be considered through the Local Plan preparation process and further site specific and plan-wide viability modelling.

Appendix 1

Potential viability effect of emerging and adopted Local Plan documents

Draft Strategic Policies and Land Allocations DPD (*Pre-Publication Version 2017*)

Policy	Impact on Viability	Implication for Local Plan Viability Assessment
Policy SP1: Presumption in Favour of Sustainable Development	No Impact	<p>This policy directly mirrors Policy NPPF 1. It performs the role of model policy, which is a requirement of Government with the local plan.</p> <p>The council will take a positive approach to development proposals that reflect the presumption in favour of sustainable development contained within the NPPF.</p> <p>The delivery of sustainable development within the district can only be achieved through a partnership approach between the local planning authority, applicants/developers and other relevant private and public stakeholders.</p>
Policy SP2: Lancaster District Settlement Hierarchy	Indirect	<p>The settlement hierarchy provides the basis for the growth strategy in Lancaster district. The strategic policies of this DPD look at the spatial distribution of housing, employment and retail development in Lancaster District.</p> <p>The settlement hierarchy sets out that the main urban area in the district is Lancaster, which has a sub-regional importance particularly economically and commercially. Morecambe / Heysham is a key centre for the district, providing a significant range of important services to the district and Carnforth represents the Northern Hub of the district with a large rural hinterland.</p> <p>The council will support proposals for developments in a number of key settlements, provided that they are of a nature and scale which is proportionate to the role and function of that settlement or where they have been specifically identified in this plan to meet the strategic growth needs of the district.</p> <p>Viability modelling to reflect sub-market areas and spatial distribution of development.</p>
Policy SP3: Development Strategy for Lancaster District	Indirect	<p>The development strategy supersedes the urban concentration policy of the Core Strategy and ensures the plan reflects the NPPF requirement to deliver a pattern of sustainable development across a plan area.</p> <p>The development strategy aims to meet the needs of the district by promoting an urban-focused approach to development that is supplemented with additional</p>

		<p>large strategic development sites in greenfield locations which can be developed for housing and employment.</p> <p>Urban-focused development will be concentrated towards the main urban areas of Lancaster, Morecambe, Carnforth and Heysham for residential, retail, employment and leisure development. To supplement this approach a range of strategic greenfield sites have been identified on the edges of Lancaster and Carnforth to meet future development needs. In addition to the main urban areas of the district, development will be supported in sustainable settlements as defined in the settlement hierarchy. Development in other rural villages will only be supported where it is meeting proven local needs.</p> <p>The council will support proposals for developments in a number of key settlements, provided that they are of a nature and scale which is proportionate to the role and function of that settlement or where they have been specifically identified in this plan to meet the strategic growth needs of the district.</p> <p>Viability modelling to reflect sub-market areas and spatial distribution of development.</p>
Policy SP4: Priorities for Sustainable Economic Growth	Indirect	<p>The policy sets out the future priorities for economic growth supersedes the expectations for employment growth through the Core Strategy and ensures a positive plan for economic growth as per National Planning Policy Framework (NPPF).</p> <p>The council will seek to support sustainable economic growth within the district particularly where it meets the needs for economic growth. It should seek to establish improved retail and cultural heritage offers in both towns which link to the enhancement of the wider cultural heritage.</p> <p>Viability modelling to reflect sub-market areas and spatial distribution of development.</p>
Policy SP5: The Delivery of New Jobs	Indirect	<p>The policy sets out the opportunities for new employment land / areas for future growth which will seek to plan positively and proactively plan for economic growth and new jobs throughout the plan period.</p> <p>There are a number of locations where economic growth will be focused. The local plan will seek to maintain a healthy and robust portfolio of robust portfolio of employment sites throughout the district which will permit a range of employment uses and are fully identified. The council will seek to encourage and promote positive economic growth within the district in line with levels of growth forecast.</p> <p>Viability modelling to reflect sub-market areas and spatial distribution of development.</p>

Policy SP6: The Delivery of New Homes	Indirect	<p>This policy seeks to identify housing sites to meet the objectivity assessed housing needs for the district through the plan period. The policy seeks to maximise all opportunities for sustainable growth and plan positively and proactively for significant increases in housing throughout the plan period in accordance with national planning policy.</p> <p>The council will seek to meet its full objectively assessed needs for housing within the District. This need equates to the delivery of circa 12,000 new dwellings through the plan period.</p> <p>The council will support proposals for developments in a number of key settlements, provided that they are of a nature and scale which is proportionate to the role and function of that settlement or where they have been specifically identified in this plan to meet the strategic growth needs of the district.</p> <p>Viability modelling to reflect sub-market areas and spatial distribution of development.</p>
Policy SP7: Maintaining Lancaster District's Unique Heritage	Direct	<p>This policy seeks to highlight the importance of maintaining the unique character of Lancaster District and is supplemented by a range of policies which seek to protect and enhance landscape and historic value.</p> <p>Development proposals will be expected to contribute towards maintaining and enhance the district's unique character through the appropriate location of uses, sympathetic design and sustainable construction techniques.</p> <p>A sustainable allowance for demolition, clearance and remediation to be made in viability modelling.</p>
Policy SP8: Protecting the Natural Environment	Indirect	<p>This policy seeks to highlight the importance of protecting and enhancing the biodiversity value within the district and is supplemented by a range of policies which seek to protect environmental value.</p> <p>Development proposals will be expected to promote, maintain and enhance the district's diverse biodiversity through the appropriate location of uses, sympathetic design and sustainable construction techniques. The council would also support opportunities to maximise energy efficiency.</p> <p>The council will support proposals for developments in a number of key settlements, provided that they are of a nature and scale which is proportionate to the role and function of that settlement or where they have been specifically identified in this plan to meet the strategic growth needs of the district.</p> <p>Viability modelling to reflect sub-market areas and spatial distribution of development.</p>
Policy SP9: Maintaining Strong and Vibrant	Indirect	<p>This policy seeks to highlight the need to create sustainable communities through positive planning,</p>

Communities		<p>providing development which meets the needs of the community and the delivery of new infrastructure via new development.</p> <p>The Council recognises the range of communities in the district, whether they be rural communities and or urban neighbourhoods, and supports their long term sustainability. The council will seek to protect important facilities which act as hubs of the community, whether they be valuable areas of open space, local services or community buildings and support their improvement and diversification where they retain their long term value to the community.</p>
Policy SP10: Improving Transport Connectivity	Direct	<p>This policy seeks to highlight the importance of improvements to transport connectivity within the district through positive land-use planning, the delivery of important infrastructure and the promotion of sustainable modes of transport such as public transport, cycling and walking.</p> <p>New development will be expected to be sited in sustainable location which ensure a range of transport options and seek to reduce the need to travel. Where it is appropriate and necessary to do so, development proposals will be expected to contribute to the delivery of important infrastructure.</p> <p>Suitable allowance needs to be made in the viability appraisals for accessibility and transport linkages, either through dedicated costs or adjustments to external works cost assumption.</p>
Policy SG1: Broad Location for Growth Bailrigg Garden Village	Direct	<p>This policy provides guidance on the future growth at Bailrigg Garden Village for residential and economic purposes.</p> <p>The council has identified proposed growth in South Lancaster as Bailrigg Garden Village which includes opportunities for residential and employment growth. The council expect that once fully developed, Bailrigg Garden Village will accommodate approximately 3,500 dwellings and a number of opportunities for employment and economic growth.</p> <p>The Council will expect that future proposals for the site should address the issues of phasing, delivering the necessary infrastructure and any other issue set out within the Masterplan produced by the Council.</p> <p>Suitable allowance to be made for necessary infrastructure. Relevant infrastructure requirements contained within policy SG3.</p>
Policy SG2: Lancaster University Innovation Park Campus	No Impact	<p>This provides guidance on the future growth at the Lancaster University Innovation Park.</p> <p>The council will support the development of a high quality Innovation park in the South Lancaster area, which provides strong linkages with Lancaster University and the proposed residential development at Bailrigg Lane. The innovation park should seek to</p>

		encourage growth in high technology which integrates into its surroundings.
Policy SG3: Infrastructure Requirements for Development in South Lancaster	Direct	<p>The policy provides the infrastructure requirements necessary for delivering strategic growth in South Lancaster.</p> <p>In delivering strategic growth in South Lancaster it will be essential that the necessary infrastructure is delivered, at the appropriate time, to make development acceptable in planning terms and ensure that a sustainable urban extension to South Lancaster is achieved.</p> <p>Suitable allowance needs to be made in the viability appraisals for accessibility and transport linkages, either through dedicated costs or adjustments to external works costs.</p>
Policy SG4: Lancaster City Centre Masterplan	No Impact	<p>This policy provides a range of guidance over future plans to improve Lancaster City Centre in terms of improving connectivity and environmental improvement.</p> <p>Lancaster City Centre has significant opportunities to improve its role as an economic, cultural and visitor centre within the wider region. To ensure the main aims are met, the Council will work with all key stakeholders in Lancaster City Centre, including key landowners, local organisations and groups and the wider community to ensure that projects and plans are able to maximise the economic potential of the City Centre.</p>
Policy SG5: Lancaster Canal Corridor North Site	Indirect	<p>This policy provides guidance on future growth and regeneration at the Lancaster Canal Corridor site.</p> <p>The land at Lancaster Canal Corridor North has been identified to provide opportunity for comprehensive regeneration of a central location and significantly improve the retail and cultural offer of Lancaster City Centre.</p> <p>Any proposals for the Canal Corridor North site should be brought forward through a comprehensive masterplan for the area and, should consider a positive mixture of uses including retail, leisure and residential uses which will complement the existing centre and form part of a suitable extension to Lancaster City Centre.</p>
Policy SG6: Lancaster Castle and Quay	Indirect	<p>This policy provides guidance on the future regeneration at Lancaster Castle and surrounding areas.</p> <p>The council will support the appropriate regeneration and re-use of the Grade I Listed and nationally significant Lancaster Castle and associated buildings where it delivers the actions and aspirations of the Council's 'Cultural Heritage Strategy'.</p>

		The council will expect proposals for the regeneration of Lancaster Castle will be prepared utilising the experience of both officers of the city Council and representatives from Historic England.
Policy SG7: East Lancaster Strategic Site	Direct	Cuckoo Farm/ Ridge Farm, East Lancaster has been allocated as a site for residential- led development. The Council expect that once fully developed that the site will accommodate approximately 900 dwellings and a range of infrastructure which is necessary to facilitate these new homes. Links with policy SG8 in relation to infrastructure requirements for delivery of site. Other elements of policy which have direct effect on viability include affordable housing, landscaping requirements, design quality to reflect key urban setting, the need for a green corridor and drainage.
Policy SG8: Infrastructure Requirements and Delivery for Growth, East Lancaster	Direct	<p>This policy supports the need for infrastructure delivery arising from development in East Lancaster.</p> <p>In delivering strategic growth in East Lancaster it will be essential that the strategic and necessary infrastructure is delivered, at the appropriate time, to make development acceptable in planning terms and ensure that both the individual and cumulative impacts on local infrastructure are fully addressed.</p> <p>Suitable allowance needs to be made in the viability appraisals for accessibility and transport linkages, either through dedicated costs or adjustments to external works costs.</p>
Policy SG9: North Lancaster Strategic Site	Direct	<p>Greenfield land identified at Hammerton Hall and Beaumont Hall, North Lancaster has been allocated as a site for residential-led development. The Council expects that once fully developed that the site will accommodate approximately 700 dwellings, 2 hectares of B1 use class employment land and a range of infrastructure which is necessary to facilitate these new homes.</p> <p>Suitable allowance to be made for necessary infrastructure.</p>
Policy SG10: Infrastructure Requirements for Delivery and Growth in North Lancaster	Direct	<p>This policy supports the need for infrastructure delivery arising from development in North Lancaster.</p> <p>In delivering strategic growth in North Lancaster it will be essential that the strategic and necessary infrastructure is delivered, at the appropriate time, to make development acceptable in planning terms and ensure that a sustainable urban extension in North Lancaster is achieved.</p> <p>Suitable allowance to be made for necessary infrastructure.</p>
Policy SG11: Land at Lundsfield Quarry,	Indirect	Brownfield land identified at Lundsfield Quarry, South Carnforth, has been allocated as a site for residential-led development. The Council expects

South Carnforth		<p>that once fully developed that this brownfield site will accommodate approximately 200 dwellings and a range of infrastructure which is necessary to facilitate these new homes.</p> <p>The Council will expect that future proposals for the site should consider the issues of phasing, delivering the necessary infrastructure and addressing all issue set out within the Development Brief prepared by the Council.</p> <p>Suitable allowance to be made for necessary infrastructure, links with policy SG13.</p>
Policy SG12: Land South of Windermere Road, South Carnforth	Indirect	<p>Greenfield land identified to the South of Windermere Road, South Carnforth has been allocated as a site for residential-led development. The Council expects that once fully developed that the site will accommodate approximately 500 dwellings and a range on infrastructure which is necessary to facilitate these new homes and jobs.</p> <p>The Council will expect that future proposals for the site should take into account the issues of phasing, delivering the necessary infrastructure and addressing all issues set out within the Development Brief prepared by the Council.</p> <p>Suitable allowance to be made for necessary infrastructure.</p>
Policy SG13: Infrastructure Requirements for Development in South Carnforth	Direct	<p>This policy supports the need for infrastructure delivery arising from development in South Carnforth.</p> <p>In delivering strategic growth in South Carnforth it will be essential that the strategic and necessary infrastructure is delivered, at the appropriate time, to make development acceptable in planning terms and ensure that a sustainable growth to South Carnforth is achieved.</p> <p>Suitable allowance to be made for necessary infrastructure.</p>
Policy SG14: Port of Heysham and Future Expansion Opportunities	No Impact	<p>The Council recognises the benefits that are brought to the local economy through the Port of Heysham and the Port related facilities that surround it. Through the local plan the Council will seek to support the widening of facilities at the Port to encourage future growth and expansion.</p> <p>The Council will support the diversification of uses on the Port site, supporting the Port in becoming a base for providing assistance to energy project, particularly off-shore renewable energy projects. The policy states that contributions will be sought towards improving accessibility including completion of southern end of Imperial Road with Middleton Road.</p>

Policy SG15: Heysham Gateway	Indirect	The City Council seeks to deliver a regenerated area which capitalises on investment from the Bay Gateway Link Road, the Port of Heysham and the energy sector by bringing forward in a planned, co-ordinated manner high quality development sites suitable for key growth sectors whilst addressing existing infrastructure issues and enhancing the unique environment of the South Heysham area.
Policy SG16: Heysham Nuclear Power Station, South Heysham	No Impact	Through the local development plan the Council will seek to safeguard and protect the nominated site and its surroundings for the proposed Heysham 3 Nuclear Reactor from inappropriate development which would constrain the future development of the facility.
Policy EC1: Established Employment Areas	Indirect	<p>This policy seeks to identify a suitable employment land portfolio for economic growth within the district. In particular the retention of existing employment areas in the district.</p> <p>The Council will seek to support and encourage economic growth and new development opportunities within established employment areas in accordance with relevant local and national planning policy.</p>
Policy EC2: Future Employment Growth	Indirect	<p>This policy seeks to identify new areas of employment growth which will supplement the policy employment land portfolio.</p> <p>The council anticipates that a further 48.9 hectares of employment land for B1 (office), B2 (General Industrial) and B8 (Storage and Distribution) will be required to meet employment and economic needs through the plan period up to 2031.</p>
Policy EC3: Junction 33 Agri Business Centre, South Galgate	Indirect	<p>This policy seeks to provide more detailed guidance on the delivery of a new employment area in the South of Galgate.</p> <p>The Council will support the development of this site for a new Agri-Business Centre which is focussed around the relocation of the Farmers Auction Mart from its current base at Wyresdale Road, Lancaster. Employment uses on this site must be ancillary to the agricultural and wider region.</p> <p>Any proposals for this site should be brought forward as part of a comprehensive masterplan which addresses all the issues which are set out in this policy and will be predicted on the expectation that a fundamental element of the proposals involves relocation of the existing Auction Mart. The Council will not support proposals which result in the piecemeal development of the site which does not include a relocated Auction Mart.</p>
Policy EC4: White Lund Employment Area	Indirect	This policy seeks to provide detail advice on appropriate land-uses on White Lund Employment Area, which is the largest employment site in the

		<p>district.</p> <p>The Council will support a range of employment uses which include B1 (office), B2 (General Industrial) and B8 (Storage and Distribution) subject to the proposals being in accordance with all other relevant local plan policies.</p>
Policy EC5: Regeneration Priority Areas	Direct	<p>This policy seeks to update the regeneration priority areas. The Council has identified a series of Regeneration Priority Area within the district where proposals for regeneration, reuse and redevelopment of the land and buildings will be supported in principle subject to proposals being in accordance with other relevant policies in the local development plan.</p> <p>A sustainable allowance for demolition, clearance and remediation to be made in viability modelling.</p>
Policy EC6: University of Cumbria, Lancaster	Indirect	<p>This policy seeks to update the Council's position on future development on the University of Cumbria campus, updating historical approaches.</p> <p>The Council will support the sustainable growth of the University of Cumbria campus where it accords with both the Masterplan for the university campus and all relevant planning policies both locally and nationally.</p> <p>Future development proposals should be taken forward through the preparation of a comprehensive masterplan which has been agreed through consultation with the local community. Opportunities to improve linkages with local businesses should be encouraged as part of this process.</p>
Policy EC7: Lancaster and Morecombe College	Indirect	<p>This policy seeks to update the Council's position on future development on the University of Cumbria campus, updating historical approaches.</p> <p>The Council will support the sustainable growth of Lancaster and Morecambe College where it accords with both the masterplan for sustainable future growth and all relevant planning policies both locally and nationally.</p> <p>Future development proposals should be taken forward through a masterplan approach which is prepared in consultation with the local community.</p>
Policy TC1: Retail Hierarchy for Lancaster District	Direct	<p>This policy seeks to update and refresh the retail hierarchy of the district, setting out the main retail centres and focus for future main town centre developments.</p> <p>To protect and maintain the vitality and viability of existing City, Town and Local Centres, to protect local services and minimise the need to travel by private car, The City Council has proposed a retail hierarchy.</p>

		This policy provides for new retail centres in South, East and North Lancaster as part of strategic sites.
Policy TC2: Town Centre Designations	Indirect	<p>This policy sets out a range of town centre designations, setting out the Primary Shopping Area, Town Centre Boundary and important frontages.</p> <p>The City Council has identified a Primary Shopping Area (PAS), Primary and Secondary Frontages and the town centre boundary for Lancaster city centre. Where a proposal is situated within a design retail frontage, consideration should be given to the proposal's impact on the frontage.</p> <p>The Council has not sought to identify the PSA or designate retail frontages given the central areas are quite fragmented so as to not unduly restrict the Morecambe Area Action Plan spatial approach for a successful, competitive town centre.</p> <p>In relation to Carnforth, a town centre boundary has been identified. Given the scale and role of Carnforth, as set out with Policy TC1, the Council has not sought to identify a PSA or designate retail frontages. Proposals for main town centre uses (as defined by the National Planning Policy Framework) which are appropriate scale, role and function for Carnforth will be expected to be located within the town centre boundary and in accordance with Policy DM14 of the Development Management DPD.</p>
Policy TC3: Future Retail Growth	Indirect	<p>This policy seeks to identify future opportunities for future development for commercial leisure, retail and other main town centre uses. This policy will seek to promote such growth in the main centres of Lancaster and Morecambe.</p> <p>New retail development will be supported in Lancaster city centre in accordance with Policy DM14 of the Development Management DPD.</p>
Policy TC4: Central Morecambe	No Impact	<p>This policy seeks to formalise the approaches set in the Morecambe Area Action Plan DPD and set out its key priorities. This inclusion of the policy is seen as important to provide a connection between the Action Plan and the wider Local Plan.</p> <p>The regeneration and renewal of Central Morecambe remains a key regeneration priority for the Council. The Council are committed to supporting new development which positively contributes to the town centre and seeks to regenerate derelict and underused land within the Central Morecambe area.</p>
Policy H1: Residential Development in Urban Areas	Indirect	<p>This policy sets out the delivery of residential development within urban areas, setting out all areas which have been identified to meet future housing needs.</p> <p>The Council will support the development of a number of sites across the District for residential purpose subject to satisfying the relevant policies of</p>

		the local development plan. In particular sites which have been identified as being deliverable within the Strategic Housing and Employment Land Availability Assessment (SHELAA) will be supported for residential development subject to proposals satisfactorily address all relevant national and local planning policy.
Policy H2: Housing Delivery in Rural Areas of District	Indirect	<p>This policy sets out the delivery of residential development within rural areas, setting out all areas which have been identified to meet future housing needs.</p> <p>The identified sites will be supplemented by a range of smaller scale development, in particular sites which have been identified as being deliverable within the Strategic Housing and Employment Land Availability Assessment (SHELAA). These will be supported for residential development subject to proposals satisfactorily addressing all relevant national and local planning policy.</p>
Policy H3 Heritage-led housing development	Direct	<p>Policy allocates land for residential development at Land at Ridge Lea Hospital and Land at the University of Cumbria Campus. The policy provides for heritage led development respecting the character of heritage assets on the site.</p> <p>Consideration of additional costs relating to uplift on specification, retention of heritage assets etc.</p>
Policy H4: Land at Grab Lane, East Lancaster	Direct	<p>Greenfield land identified on the Local Plan Policies Map at Grab Lane, East Lancaster, has been allocated as a site for residential-led development. The Council expects that once fully developed that the site will accommodate approximately 195 dwellings and a range of infrastructure which is necessary to facilitate these new homes.</p> <p>Suitable allowance needs to be made in the viability appraisals for accessibility and transport linkages, either through dedicated costs or adjustments to external works costs.</p> <p>This policy also requires an uplift in specification due to historic settings, urban setting landscape, proximity to a Biological Heritage Site, inclusion of electric vehicle charging points and an on-site affordable housing contribution.</p>
Policy H5: Land at the Lancaster Leisure Park and Auction Mart, East Lancaster	Direct	<p>Land at Lancaster Leisure Park in East Lancaster has been identified for residential development. The site is expected to accommodate approximately 200 residential dwellings and a range of infrastructure which is necessary to facilitate these new homes.</p> <p>Suitable allowance needs to be made in the viability appraisals for accessibility and transport linkages, either through dedicated costs or adjustments to external works costs.</p>

Policy H6: Royal Albert Fields, Ashton Road, Lancaster	Direct	<p>Land at Former Royal Albert Hospital Site in South Lancaster has been identified for residential development. The site is expected to accommodate approximately 71 residential dwellings and a range of infrastructure which is necessary to facilitate these new homes.</p> <p>Suitable allowance needs to be made in the viability appraisals for accessibility and transport linkages, either through dedicated costs or adjustments to external works costs.</p>
Policy DOS1: Lane at Bulk Road / Lawson's Quay, Central Lancaster	Direct	<p>This provides policy guidance on the regeneration on land at Bulk Road site in Central Lancaster, this area formed part of the wider Kingsway area. The Council will support the regeneration of this site for a range of development uses, including commercial uses, leisure uses and retail uses where such proposals seek to compliment the ongoing regeneration of the neighbouring Canal Corridor North Site.</p> <p>Proposed uses at the Bulk Road and Lawson's Quay site should not include uses which could be located on an available, subsequently preferable, site located within, or adjacent to the Primary Shopping Centre.</p> <p>Proposals for residential apartments, including student accommodation, will also be supported where they meet appropriate amenity standards and are consistent with all relevant policies within the Local Plan.</p> <p>Suitable allowance needs to be made in the viability appraisals for accessibility, transport linkages and improvements to green infrastructure, either through dedicated costs or adjustments to external works costs.</p>
DOS2: Land at Moor Lane Mills, Central Lancaster	Direct	<p>This provides policy guidance on the regeneration on land which surrounds Moor Lane Mills in Central Lancaster for a residential-led mixed use scheme incorporating employment uses and student accommodation.</p> <p>The Council will support the regeneration of this site as part of the wider regeneration of Lancaster city centre and particularly the regeneration of the Lancaster Canal Corridor site (see Policy SG5).</p> <p>The loss of car parking facilities will not be supported unless suitable alternative provision for car parking has already been provided, either on the Canal Corridor site or via other means to meet the needs of city centre users.</p> <p>The buildings which comprise the Moor Lane Mills are considered to be of heritage value, which should be retained and sympathetically incorporated into future proposals for the wider site.</p>

		<p>Suitable allowance needs to be made in the viability appraisals for enhanced design to respect the character of Central Lancaster Conservation Area. Accessibility and transport linkages to the city centre will also be expected.</p>
Policy DOS3: Luneside East, Lancaster	No Impact	<p>The Council will support proposals for the regeneration and redevelopment of Luneside East, Lancaster for a residential-led mixed use development incorporating B1 employment uses, wider commercial uses and residential development including student accommodation.</p>
Policy DOS4: Lune Industrial Estate, Luneside, Lancaster	Direct	<p>The Council will support a mixed-use regeneration of this site which involved a range of residential employment and economic uses. Regeneration proposals for this site should only be brought forward via a comprehensive integrated masterplan, including all elements of the site.</p> <p>The Council will not support piecemeal applications on the site with result in sensitive land uses (such as residential) being located in close proximity to heavy industries.</p> <p>This policy has a partial direct impact on the viability, development proposals must ensure that the site has good physical infrastructure and contributes to the local environment, potentially added the cost of the development.</p>
Policy DOS5: Land at Willow Lane, Lancaster	Direct	<p>The land identified as open space which has been identified for recreational and open space improvement. The Council will support proposals that enhance and regenerate the quality and quantity of recreational open space provision in this area.</p> <p>Exceptionally, the Council may support proposals for enabling development within part of the site which currently has no active use, but only in circumstances where the proposals support quantitative and qualitative improvements to the recreational and open space and this remains the main overall use on the site.</p> <p>Suitable allowance must be made in appraisals for green infrastructure, either through dedicated cost or adjustment to external work costs.</p>
Policy DOS6: Galgate Mill, Galgate	Direct	<p>This policy provides guidance on the regeneration of land at Galgate Mill.</p> <p>The Council will support proposals for the regeneration and redevelopment of Galgate Mill. Any proposals for the mill building will be expected to retain significant element of employment space within the buildings, particularly at ground floor level. However, to facilitate regeneration the Council will support a diversification of uses which include residential uses to the upper levels. Any proposals need to be consistent with its rural location and its listed status. The Council will expect that any</p>

		<p>proposals for the Galgate Mill site should seek to contribute to the delivery of infrastructure improvements where relevant to the proposal.</p> <p>This policy has a potentially direct impact on the viability, development proposals must ensure that the site has good physical infrastructure and a positive contribution is made to the local environment.</p>
Policy DOS7: Former Pontins Holiday Camp (Middleton Towers), Middleton	Direct	<p>This policy provides guidance on the regeneration of the former Pontins Holiday Camp, Middleton (Middleton Towns).</p> <p>The Council will support regeneration proposals for residential, employment and tourism-led development at this former holiday camp. In considering regeneration proposals the Council would support the implementation of the existing planning consents for the delivery of a residential development on the site.</p> <p>Indirect impact on viability relating to potential sales values within different rural settlements.</p>
Policy DOS8: Morecambe Festival Market and Surrounding Area	No Impact	<p>This policy provides guidance on the future regeneration of the Morecambe Festival market and Surrounding Area.</p> <p>The Council will support the redevelopment and regeneration of the Festival Market and the surrounding land for a range of uses including retail, leisure and residential uses.</p> <p>Proposals for this site should come forward as part of a comprehensive masterplan for the site and should seek to deliver a mixture of uses which seek to complement the role and function of the existing town centre area.</p>
Policy DOS9: Land at the Former TDG Depot, Warton Road, Carnforth	Direct	<p>This policy provides guidance on the regeneration of the former TDG site, Warton Road, Carnforth.</p> <p>The Council will support the regeneration and redevelopment of the former TDG site, Warton Road, Carnforth for a mixture of uses which should be appropriate and suitable for the unique position of the site. Potential uses could include elements of employment, commercial, residential and recreational uses. Proposals which seek to generate significant levels of traffic movements, especially HGV movements, will not be supported by the Council.</p> <p>This policy has a partial direct impact on the viability, development proposals must ensure that the site has good physical infrastructure and contributes to the local environment, potentially added the cost of the development.</p>
Policy EN1:	Indirect	<p>This policy provides an update on the designated</p>

Conservation Areas		<p>Conservation Areas in the District.</p> <p>The Council has 37 conservation areas within the district which have been identified for their architectural and historical importance.</p> <p>Development proposals in these designated areas will be considered against their impacts on the local character of the area and, in particular Policies DM38 and DM39 of the Development Management DPD.</p>
Policy EN2: Designated Heritage Assets	Indirect	<p>This policy provides an update on a range of designated heritage assets, including Listed Buildings, Registered Parks and Gardens and Scheduled Monuments.</p> <p>Development proposals which may have either direct or indirect impacts on such assets should ensure that such impacts have been fully assessed in liaison with the Council's Conservation Team. Proposals will not be supported where it is demonstrated that development will cause significant harm to these designated assets.</p>
Policy EN3: Mill Race Heritage Priority Area	Indirect	<p>This policy seeks to identify measures to protect and enhance heritage assets within Lancaster City Centre.</p> <p>The Council has identified the Mill Race Heritage Priority Area as a Heritage Action Zone in Central Lancaster with the aim to deliver a heritage-led regeneration of this area and specifically shape a sustainable future for a key part of the city centre.</p> <p>Any proposals for development in these areas should have due regard to all relevant policies within the Development Management DPD, particular Policies DM38 and DM38 relating to the historic environment.</p>
Policy EN4: Areas of Outstanding Natural Beauty	No Impact	<p>The policy identifies the Areas of Outstanding Natural Beauty (AONB) within the district; these are Arncliffe and Silverdale AONB and Forest of Bowland AONB.</p> <p>The landscape and character of both Areas of Outstanding Natural Beauty will be protected, conserved and enhanced. Any development should contribute to the conservation and natural beauty of the area. Proposals will be expected to have due regard to all relevant policies contained within the local development plan and, in particular the Development Management DPD and the Arncliffe and Silverdale AONB DPD.</p>
Policy EN5: The Open Countryside	No Impact	<p>The Council has designated areas of open countryside which defines the rural context of the district. Any development proposals located within the open countryside should have due regard to all relevant policies contained within the local</p>

		development plan, in particular policies within the Development Management DPD relating to development in the rural areas.
Policy EN6: The North Lancashire Green Belt	No Impact	<p>The North Lancashire Green Belt is identified on the Local Plan Policies Map between Lancaster, Morecambe and Carnforth to ensure that future growth does not result in coalescence between these settlements.</p> <p>Development proposals within the Green Belt will be assessed against national planning policy and will have due regard to all relevant policies contained within the local development plan, in particular Policy DM49 the Development Management DPD which relates to development within the Green Belt.</p>
Policy EN7: Local Landscape Designations	No Impact	<p>Areas of Key Urban Landscape and Urban Setting Landscape , as shown on the Local Plan Policies Map, will be conserved and important natural features safeguarded.</p> <p>Development proposals within these areas will only be permitted where they preserve the open nature of the area and the character and appearance of its surroundings. Proposals will be expected to have due regard to all relevant policies contained within the local development plan, in particular Policy DM45 of the Development Management DPD which relates to development and landscape impact.</p>
Policy EN8: Areas of Separation	No Impact	<p>The Council have identified an Area of Separation between Lancaster and Halton to ensure that the strategic growth proposed to the North of the City via policy SG9 of does not result in two distinct settlements merging together.</p> <p>The Land Allocations DPD has identified two areas of separation within the district which aims to protect the local character and identity of settlements. The role of areas of separation is to help maintain distinctive 'Green Lungs' between settlements this DPD identifies where Areas of Separation would be beneficial.</p> <p>Development will be assessed in terms of its impact upon the Area of Separation, including any harm to the effectiveness of the gap between settlements and, in particular the degree to which the development proposed would compromise the function of the Area of Separation in protecting the identity and distinctiveness of settlements.</p>
Policy EN9: Environmentally Important Areas	No Impact	<p>This policy identifies a range of environmentally important sites which have been protected as a European, National, Regional or Local level.</p> <p>There are a number of sites within the district which have been designated at a European, National and Regional level for their environmental importance. These have been identified on the Local Plan Policies Map and will be protected from development</p>

		proposals which have a detrimental impact on their designation.
Policy EN10: Grab Lane Preserved Setting Area	No Impact	The land surrounding the residential development at Grab Lane has been identified for protection under Policy EN10 of this DPD. The protection is to ensure that the landscape areas remain permanently open and free from future development.
Policy EN11: Air Quality Management Areas	Indirect	<p>The Council has designated three Air Quality Management Areas (AQMAs) within the district in order to improve levels of air quality.</p> <p>Developments which are located within or adjacent to AQMAs will be expected to ensure that they do not contribute to increasing levels of air pollutants within the locality and adequately protect their users from the effects of poor air quality.</p> <p>Any development proposals will be expected to have regard to all relevant policies contained within the local development plan, in particular Policy DM31 of the Development Management DPD which relates to development and air quality.</p>
Policy SC1: Neighbourhood Planning Areas	No Impact	<p>The policy seeks to identify the Neighbourhood Plan areas within the district.</p> <p>There are a number of areas in the district where Neighbourhood Plans are being prepared. Development proposals which are sited within the following Parish / Ward areas should have due regard to the policies and allocations set out in any Neighbourhood Plan where they have been formally adopted by the City Council for planning purposes.</p>
Policy SC2: Local Green Spaces	No Impact	<p>This policy seeks to identify local green spaces, which have been nominated by the community for their special importance.</p> <p>The Council has designated areas of green space for special protection. These Local Green Spaces have been put forward by the local community, with a strong evidence base, due to their particularly special, local importance.</p> <p>Inappropriate development will not be permitted within a Local Green Space except for very special circumstances. Development which will enhance, support and facilitate the sustainability of the community needs, services and purposes provided by the Local Green Space, as evidenced and identified in the Table below, will be considered appropriate. The design, scale and size of development will be required to be proportionate and reflective of/in keeping with each Local Green Space, the purposes of the designation and the community it serves.</p>
Policy SC3: Open Space, Recreation and Leisure	No Impact	Existing open space and recreation facilities have been identified on the Local Plan Policies Map. These sites, identified for their recreation, environmental and/or amenity value will be protected from inappropriate development in accordance with relevant national and local planning policy.

Policy SC4: Green Space Networks	No Impact	This policy seeks to identify a network of green spaces through the district. The Council has identified on the Local Plan Policies Map a number of greenspace networks which will be protected from development which would cause inappropriate harm and damage to their value and integrity.
Policy SC5: Recreational Opportunity Areas	Direct	<p>The policy seeks to identify recreational opportunity areas within the district to focus improvement to recreational facilities. Through future development proposals the Council will investigate the potential to provide significant new or improved open space in the following areas of deficiency.</p> <p>The Council will work with key stakeholders and the local communities to investigate opportunities for improvement, expansion or creation of recreational facilities in the areas identified above.</p> <p>Suitable allowance must be made in appraisals for green infrastructure, either through dedicated cost or adjustment to external work costs.</p>
Policy T1: Lancaster Park and Ride	No Impact	<p>This policy sets out the approach taken to Lancaster Park and Ride and its implication on wider transport connectivity.</p> <p>The council will seek to support and promote the role of the Lancaster North Park and Ride facilities as an option for accessing the city centre and as an opportunity to reduce levels of traffic and congestion in central Lancaster. Any development proposals which would prejudice the role of the Park and Ride and would impact on its ability to deliver a frequent and regular service would not be supported.</p>
Policy T2: Cycling and Walking Network	Direct	<p>This policy identifies the cycling and walking network in the district.</p> <p>The Council has identified a strategic cycling and walking network which will support and encourage greater opportunities for cycling and walking. The Council will support proposals which seek to enhance, improve and extend this network.</p> <p>The Council recognises the value of existing cycling and walking networks and the value attached to them. Accordingly the Council will seek to protect these networks (both cycle routes and public rights of way and where opportunities arise to do so, seek to improve and expand these networks in order to encourage a greater role for cycling and walking as a safe and convenient method of accessing key services and important locations.</p> <p>Suitable allowance needs to be made in the viability appraisals for costs of walking and cycling provision, or by external work costs adjustments.</p>
Policy T3: Lancaster Canal	Direct	<p>This policy relates to development proposals in the vicinity of the Lancaster Canal.</p> <p>Proposals will be expected to be of a high quality</p>

		<p>design that enhances the character of the waterway and integrates the canal into the development. There is also an expectation for improved access to, along and from the waterway for all users (where appropriate) and to enhance / improve the environmental quality and green infrastructure of the waterway corridor in the area of such developments.</p> <p>Wherever possible, this policy calls for the conservation and enhancement of the distinctive industrial heritage of the canal and its associated assets. There is also an aspiration to seek to maximise opportunities for reducing carbon emissions and building resilience, in the context of using the canal in relation to heating and cooling within new developments.</p> <p>When considering proposals for new developments alongside the canal the Council will work with the Canal & River Trust to ensure that any necessary improvements to the canal infrastructure arising directly from needs generated from new development are met by developer contributions.</p> <p>The strategic development sites at Bailrigg Garden Village, Lancaster and Carnforth will also be subject to site specific requirements in the context of their relationship with the Lancaster Canal.</p> <p>Suitable allowance needs to be made in the viability appraisals for increased quality of design, including reduction of carbon emissions and building resilience. Costs relating to accessibility and transport linkages will also have to be factored in, either through dedicated costs or adjustments to external works costs.</p>
Policy T4: Public transport Corridors	Direct	<p>The Council has identified a number of routes as key public transport corridors within the district where frequent and regular public transport services will be promoted.</p> <p>In particular the Council will work with Lancashire County Council to investigate opportunities for a Rapid Reach Transit Service within the main urban areas of the district between Lancaster University – Lancaster city centre – Morecambe town centre and the industrial areas of Heysham.</p> <p>In relation to rail services, the Council will work collaboratively to investigate opportunities to improve regional rail linkages from both Morecambe and Carnforth.</p> <p>Suitable allowance needs to be made in the viability appraisals for accessibility and transport linkages, either through dedicated costs or adjustments to external works costs.</p>

Local Plan Lancaster Development Management (*Pre-Publication Version Dec 2017*)

Policy	Impact on Viability	Implication for Local Plan Viability assessment
Policy DM1: New Residential Development and Meeting Housing Needs	Indirect	<p>New residential developments should use land efficiently whilst respecting and where possible enhancing the local context. New residential development should be located in sustainable locations where it can be satisfactorily supported by necessary infrastructure requirements.</p> <p>The Council will support proposals for new residential proposals which ensure that available land is used effectively and takes into account the characteristics of different locations and that the development is located where the environment, services and infrastructure can or could be made to accommodate the impacts of development.</p> <p>Indirect impact on viability relating to potential sales values within different rural settlements.</p>
Policy DM2: Housing Standards	Direct	<p>This policy will be used to apply the national space standards for residential development. The Council in accordance with national policy and practice guidance has taken consideration of overall need and viability across the district and has adopted to implement optional housing standards on new residential development.</p> <p>The Council will give encouragement to schemes which are built to lifetime homes standards.</p> <p>There is direct impact on viability relating to potential sales values within different rural settlements.</p>
Policy DM3: Delivery of Starter Homes and Affordable Housing	Direct	<p>This policy will be used to apply requirements for affordable housing and will address the delivery of Starter Homes. In ensuring that new residential developments meet a local need, the Council requires new schemes to positively contribute towards the provision of affordable housing. A number of national changes have recently occurred that impact on the level and types of affordable that are required.</p> <p>The Council will continue to support and promote the delivery of new affordable housing with the district through a variety of differing tenures. The Council will also continue to seek opportunities to deliver wider tenures of affordable housing, including rented and intermediate housing.</p> <p>Proposals that would result in a net loss of existing affordable dwellings must provide the equivalent number of replacement affordable dwellings on the site, as well as any affordable dwellings generated from additional market dwellings.</p> <p>This policy has a direct impact on viability, the</p>

		potential sales values within different rural settlements and ensuring affordable housing is available will increased development costs.
Policy DM4: Residential Development Outside Main Urban Areas	Direct	<p>This policy will be used to address residential development proposals in locations outside the main urban areas of the district. The district contains large areas of open countryside and a significant number of rural settlements. A large component of the district's population currently lives within those rural areas. The appeal of the district's rural areas, combined with the needs of growing population, mean that the Council will need to carefully manage development within rural areas in order to appropriately protect the character and distinctiveness of rural areas within rural areas whilst allowing for growth.</p> <p>The Council will support proposals for new housing development in smaller rural settlements if it can be demonstrated that the development will sufficiently enhance or maintain the vitality of the local community and meet a specific need in that settlement .</p> <p>There is direct impact on viability relating to potential sales values within different rural settlements</p>
Policy DM5: Housing Provision in the Forest of Bowland AONB	Indirect	<p>This policy will be used to address residential development which is located within the Forest of Bowland AONB, particularly in relation to the affordable housing requirements.</p> <p>New housing development will be supported where the maximum possible affordable homes are delivered and where the number, size, type and tenure of all homes provided demonstrably reflects and meets identified local needs in accordance with current housing evidence needs at the time of the application.</p> <p>Priority will be given to the delivery of affordable housing and maximising the potential for meeting identified local needs and local affordable needs from appropriate individual development opportunities. Proposals will be expected to demonstrate that densities make best and efficient use of land and reflect local settlement character.</p>
Policy DM6: Accommodation for Students	No Impact	<p>This policy will be used to determine applications for student accommodation. Student numbers in Lancaster have shown an increase over recent years particularly from international students with an anticipated increase of an additional 4,000 new students by 2025 from the UK and abroad.</p> <p>The city centre is an acceptable location for new student accommodation. Most parts of the city centre are within reasonable walking distance of the University of Cumbria and good public transport</p>

		<p>connections to Lancaster University.</p> <p>Proposals for new student accommodation (purpose built and conversions will be supported where they satisfy the requirements of all relevant policies in the local plan.</p>
Policy DM7: Accommodation for Vulnerable Communities	Direct	<p>This policy will be used to determine proposals for specialist accommodation- for example sheltered accommodation.</p> <p>The Council will consider the re-use and conversion of student accommodation to residential accommodation including young or key worker accommodation where it has been satisfactorily demonstrated that the accommodation is no longer needed for students. The Council will support proposals for new provision that will meet the genuine housing needs of the intended occupiers. Proposals for accommodation for vulnerable groups should be explored and delivered through Registered Providers before any consideration would be given to private sector/private finance schemes which generate higher rents and housing benefit requirements.</p> <p>Proposals for accommodation for people with learning disabilities must be explored and delivered by a registered provider. Proposals for accommodation for vulnerable communities must satisfy all other relevant planning policies.</p>
Policy DM8: Accommodation for Gypsies and Travelling Showpeople	No Impact	<p>This policy will be used to determine proposals for gypsy and traveller accommodation. The Council will support proposals that would create new Gypsy and Traveller and Travelling Showpeople sites within the district provided that there is an evidence need and they are in accordance with the requirements set out within this policy and fulfil other relevant policies.</p> <p>All proposals which would result in a loss of Gypsy traveller pitches and Travelling Showpeople plots will not be permitted unless alternative and improved provision in either an equivalent or improved location is achieved that meets an identified need, with no net loss of pitches/plots.</p>
Policy DM9: Accommodation for Agricultural and Forestry Workers	No Impact	<p>This policy will be used to determine proposals which involve accommodation for agricultural and forestry workers. The Council will support in principle the creation of residential dwellings to assist the ongoing agricultural/ forestry holding subject to the requirements of this policy.</p> <p>Proposals for new permanent dwellings will only be permitted where they support existing agricultural/forestry activities on well-established agricultural/forestry holdings as well as meeting the criteria set out in this policy.</p>

Policy DM10: Self-Build and Custom Build Housing	No Impact	<p>This policy will be used to determine proposals for self-build residential accommodation. The Council will support individuals or groups of individuals that wish to build their own homes as a more affordable means by which to access home ownership. The Council considered self or custom build to be an additional source of supply of conventional housing and a further housing choice. The sites required to accommodate self or custom build units are likely to be sites with limited large scale housing potential.</p> <p>Planning applications for 'self or custom build' housing, built by individuals or groups of individuals for their own occupation will be supported by the Council where they are located in sustainable locations.</p> <p>Developers of strategic sites (sites and amount to be determined by the outcomes of the Strategic Housing Market Assessment) will be encouraged to make provision for a proportion of serviced plots of land to contribute towards meeting the evidenced demand for Self-build and Custom Housebuilding in the district.</p> <p>Serviced plots of land for Self-build and Custom Housebuilding will also be supported on other allocated sites where overall, this would not result in an over-provision of this type of housebuilding when compared to the Council's supply/demand evidence.</p>
Policy DM11: Residential Conversions	No Impact	<p>This policy will be used to deal with proposals for the conversion of existing residential properties. Residential conversions can have significant sustainability and regeneration benefits, and can help to preserve local character. The Council will generally support such proposals, where there will be a positive contribution to sustainable development.</p> <p>Applicants are encourage to consider the potential impacts of reconverting multiple residential dwellings back to a single dwelling on meeting local housing needs and the effect this may have on any potential imbalances in the local housing market.</p>
Policy DM12: Proposals Involving Employment Land and Premises	Direct	<p>This policy will be used to deal with proposals which involve the loss of employment premises. The Council recognises the importance that employment land has within the local economy. Business and commercial premises provide job opportunities for local people and present opportunities for investment into the local economy.</p> <p>Proposals which generate significant levels of employment and/or traffic movements should be located in accessible locations which can be safely accessed by a range of transport modes and provide sufficient and appropriate levels of car</p>

		<p>parking.</p> <p>The Council will seek the retention of land and buildings which are in an active employment use, have a previous recent history of employment use, or still has an economic value worthy of retention.</p> <p>This policy has a partial direct impact on the viability, development proposals must ensure that the site has good physical infrastructure and contributes to the local environment, potentially added the cost of the development</p>
Policy DM13: Small Business Generation	No Impact	<p>This policy will be used to deal with proposals for the establishment of small businesses. The Council will seek to promote the role of home-working within the economy, through improvements to telecommunications infrastructure and small-scale extensions to existing residential dwellings. The Council will not support proposals for residential development which are contrary to policies within the Local Plan and the NPPF purely on the basis that they would assist in the delivery of home-working.</p>
Policy DM14: Town Centre Development	No Impact	<p>This policy will be used to deal with Town Centre Development, the interim town centre designations.</p> <p>Proposals for retail development will be support where they are located within defined Primary Shopping Areas, as set out via the Local Plan Policies Map or are in accordance with relevant retail policies or where the proposals accords with other policies contained elsewhere in the Local Plan.</p> <p>Proposals for residential development within town centre locations will be considered favourably provided that they are above ground floor level and do not restrict the maintenance of an active street frontage, particularly within designated retail frontages. Such proposals should include a separate and secure access, preferably to the rear of the property, which do not result in a net loss of ground floor retail space.</p>
Policy DM15: Retail Frontages	No Impact	<p>This policy will be used for any proposals which are part of defined retail frontages. The Local Plan Policies Map identifies primary shopping frontages within the central areas of Lancaster.</p> <p>Secondary frontages near the edge of Lancaster's primary shopping area are also identified within the Local Plan Policies Map. They support the key shopping frontages and are areas where some degree of diversification would be supported, whilst still retaining their primary retail function.</p> <p>The primary frontages are in central locations that form the core of a centre, and as such they are mostly A1 retail. The loss of A1 space will generally be resisted and conversions to A1 generally supported, whilst acknowledging the</p>

		contribution that non –A1 units can make to a healthy town centre.
Policy DM16: District, Local and Neighbourhood Centres	No Impact	This policy will be used for any proposals in local or district centres. Within local and neighbourhood Centres, which are defined on the Local Plan Policies Map and Policy TC1 of the Strategic Policies & Land Allocations DPD, the Council will allow commercial, community and other non-residential uses on the ground floor where it retains an active frontage.
Policy DM17: Advertisements and Shopfronts	No Impact	<p>This policy will be used to determine any proposals involving shop frontages and advertisements.</p> <p>Advertisements should be well designed and appropriately sited in order to positively contribute to a safe and attractive environment. All forms of advertisements which require consent must not cause a public safety hazard or contribute to clutter or loss of amenity. The Council will seek to avoid the proliferation of advertisements in sensitive locations, particularly in historic and rural locations which have high visual amenity, where it is considered that the amenity of the locality will be impaired.</p> <p>The creation of new shop fronts or the replacement/alteration of an existing frontage should be well designed to reflect the character of the surrounding area and seek, where possible, to enhance the visual amenity of the local area.</p>
Policy DM18: Retail Development Outside Defined Centres	Indirect	<p>This policy will be used for any proposals for retail in areas outside of defined centres. It is recognised that not all retail development takes place within defined centres and therefore the Council will support the small-scale retail development which demonstrates a local benefit to their role within the community.</p> <p>Retail proposals which exceed 150sqm should be generally directed towards defined town centre areas as identified in the Local Plan Policies Map.</p> <p>New retail development will be supported in Lancaster city centre in accordance with Policy DM14 of the Development Management DPD.</p>
Policy DM19: Leisure Facilities and Attractions	No Impact	<p>This policy will be used for any proposals for leisure facilities whether they are in an urban or rural location. The Council will support the development of leisure facilities and attractions in sustainable location within main urban settlements, primarily in sustainable town centre locations or edge of town centres.</p> <p>Proposals in rural areas will also be considered favourably where it is demonstrated that a rural location is necessary for the facility/attraction and that it cannot be located in a more sequential</p>

		<p>preferable town centre location.</p> <p>Development which are likely to increase harm through visitor pressure within internationally designated wildlife sites or designated landscape areas will not be supported.</p>
Policy DM20: Visitor Accommodation	No impact	<p>This policy will be used for any proposals for visitor accommodation – hotels or b&bs. Proposals for hotel development will be supported where they are located within a defined town centre, as set out in the Local Plan Policies Map.</p> <p>All proposals for hotel development will be expected to demonstrate that the location is accessible to a range of transport modes and public transport.</p>
Policy DM21: Creation and Protection of Cultural Assets	No Impact	<p>This policy will be used for any proposals for the cultural development.</p> <p>Proposals will be supported which assist in the delivery of aspirations and actions of the Council's most up-to-date Cultural heritage Strategy which seeks to realise the economic benefits arising from cultural assets whilst securing their long term future. Any proposals for cultural facilities should have due regard to all other relevant policies in this Local Plan.</p> <p>The Council will seek the protection of existing cultural assets in the district which are considered to be of value to the local and/or wider community. Any proposals which involve the re-use of existing cultural facilities for alternative uses will be required to demonstrate the previous use of the premises is no longer viable and the facility is no longer of value either economically or to the local community.</p>
Policy DM22: Evening and Night-Time Economy	No Impact	<p>This policy will be used for proposals involving bars, restaurants or other night time activities.</p> <p>The Council will plan positively for a range of complementary evening and night-time uses including the arts, cultural and entertainment uses that can appeal to a wide cross-section of the population and a variety of age groups.</p> <p>The promotion of an evening and night-time economy in main urban settlements needs to be appropriately managed to ensure that community safety is protected and anti-social behaviour is no increased.</p>
Policy DM23: Public Realm and Civic Space	Direct	<p>This policy will be used for proposals which involve public realm and civic space, particularly in town centre.</p> <p>The Council will expect development proposals within urban areas to make a positive contribution to their surroundings, through the good use of</p>

		<p>material, design and layout to create positive, safe and attractive streetscapes which contribute to the visual amenity of their locality and encourages good accessibility and connectivity between buildings and urban spaces.</p> <p>This policy has a direct impact on the viability with a need for a decent quality of public realm and physical infrastructure, which will have an impact on the external costs.</p>
Policy DM24: Open Space, Sports and Recreation Facilities	Direct	<p>This policy will be used in relation to the creation (or potential loss of) open spaces in the district, particularly where their use relates to sports and recreation purposes.</p> <p>Open space which the Council views to have an environmental, economic or community value will be protected from development proposals which would result in their loss, either partially or fully.</p> <p>Development proposals which are within the vicinity of designated open spaces will be required to incorporate design measures that ensure that there are no negative impacts on amenity, ecological value and functionality of the space. The Council will only permit development that has identified negative impacts on open space where appropriate mitigation measures or compensation measures have been provided.</p> <p>Suitable allowance must be made in appraisals for green infrastructure, either through dedicated cost or adjustment to external work costs.</p>
Policy DM25: Employment and Skills Plan	No Impact	<p>This policy will be used to promote the role of employment and skills plans within major new development, increasing opportunities for local apprenticeships.</p> <p>The Council, depending on the size and scale of a proposal, expect an applicant to undertake and implement 'Employment and Skills Plan' which will set out opportunities for, and enable access to employment and up-skilling of local people through the construction phase of the development proposal.</p>
Policy DM26: Key Design Principles	Direct	<p>This policy will be used to assess key design principles of new development and will be applicable in any location and to any type of development.</p> <p>The Council will ensure that new development is proposed in locations that are sustainable and accessible and well-connected to existing services. Developments should have access to a wide range of sustainable transport methods.</p> <p>New development can make a positive contribution to the surrounding landscape or townscape and the Council will ensure this new development achieves</p>

		<p>this by seeking high quality design and landscaping.</p> <p>Impact on viability is considered through scope of development scenarios and adoptions of appropriate cost assumptions (i.e build costs/ external works etc.).</p>
Policy DM27: Sustainable Design	Direct	<p>This policy will be used to promote the role of sustainable design within new development, in particular residential commercial development.</p> <p>Sustainable design has an important role to play in achieving zero carbon buildings and improving the overall sustainability performance of new development, offering opportunities to deliver improved efficiency and reduce environmental impacts. The Council is supportive of proposals which deliver high standards of sustainable design and construction.</p> <p>Applicants are encouraged to implement nationally described standards to achieve sustainable design.</p> <p>Impact on viability is considered through scope of development scenarios and adoptions of appropriate cost assumptions (i.e build costs/ external works etc.).</p>
Policy DM28: Air Quality Management and Pollution	Indirect	<p>This policy will be used to assess the impacts on air quality from development proposals.</p> <p>All development proposals must seek to minimise the associated emission of harmful air pollutants during both the construction and operational phases. They must also avoid causing or worsening a breach of an air quality level.</p> <p>The Council will seek to minimise the impact of new development on air quality by ensuring a development provides a suitable level of infrastructure for the charging of electric/plug-in hybrid vehicles.</p>
Policy DM29: Contaminated Land	Direct	<p>This policy will be used to assess the requirements of remediation and mitigation of contaminated land. The Council is not aware of any development sites in the district which are contaminated to such an extent as to render them undevelopable. Nevertheless the Council is keen to ensure that on derelict or vacant sites that come forward for development purposes can be developed and occupied safely.</p> <p>A sustainable allowance for demolition, clearance and remediation to be made in viability modelling.</p>
Policy DM30: Development and Flood Risk	Indirect	<p>This policy will be used to assess development proposals against flood risk matters. The Council will seek to ensure new development does not increase flood risk. However, in some cases this will be unavoidable because significant parts of the</p>

		<p>main urban areas of Lancaster and Morecambe are located within such flood risk areas.</p> <p>Flood risk can be mitigated through the use of Sustainable Drainage Systems (SuDS) to manage surface water flows. SuDS can also assist in pollution control through improved filtration and habitat creation within developments.</p>
Policy DM31: Surface Water Run-Off and Sustainable Drainage	Direct	<p>This policy will be used to assess surface water run-off from new development and drainage impacts.</p> <p>Proposals for all new developments will be expected to submit schemes appropriate to the scale of the proposal detailing how on-site drainage will be managed so as not to cause or exacerbate flooding elsewhere in the locality.</p> <p>All developments that would increase the rate of discharge of surface water from the site must consider its implications for the wider area. SuDS are expected for all major developments that including new housing must be completed at the latest prior to the first residential occupation.</p> <p>Suitable allowance to be made for specific SUDs infrastructure or adjustment to external works costs.</p>
Policy DM32: Water Supply and Waste Water	Indirect	<p>This policy will be used to ensure appropriate connections to the water supply and waste water can be achieved.</p> <p>Development proposals must take into account the demand from off-site water service infrastructure. In particular, developers will be required to demonstrate that there is adequate waste water capacity on and off the site to satisfactorily serve the development.</p> <p>Water efficiency measures should be incorporated into the development. The design of non-residential building development should enable achievement of the BREEAM 'Excellent' standard.</p>
Policy DM33: Protecting Water Resources and Infrastructure	Indirect	<p>This policy will be used to protect water resources, such as water quality etc. New developments must consider the impact on wastewater infrastructure, and here may be a need to co-ordinate new development through phased approach to allow improvements to wastewater infrastructure.</p> <p>The development or expansion of water supply or waste water facilities will normally be permitted, either where needed to serve existing or proposed development, or in the interests of long term water supply and waste water management, provided that the need for such facilities outweighs any adverse land-use or environmental impact.</p>

DM34: Development Affecting Listed Buildings	Direct	<p>This policy will be used to assess proposals involving Listed Buildings.</p> <p>High quality design is vital for new developments in the historic environment as the vibrancy and richness of the heritage assets strongly contributes to the cultural values of the district, the quality of which could be eroded through inappropriate or low quality proposals.</p> <p>The significance of a Designated Heritage Asset can be harmed or lost through alteration or destruction of a Listed building or through development within its setting. Where a development proposal will lead to substantial harm or loss of significance, consent will be refused.</p> <p>Proposals which involve the alterations or extensions to Listed buildings, including any partial demolitions, should be based on an accurate understanding of the significance of the asset.</p> <p>Protection of heritage assets is a long standing function of the planning system, costs associated with development affecting heritage assets should be considered through detailed development proposals.</p>
DM35: Development Affecting Conservation Areas	Direct	<p>This policy will be used to assess proposals which affect Conservation Areas.</p> <p>Only developments which preserve or enhance the character and appearance of the Conservation Areas will be permitted.</p> <p>Proposals which involve the loss of a building which makes a positive contribution to the significance of the Conservation Area will not be permitted unless it can be demonstrated that the substantial loss or harm is necessary to achieve substantial public benefits outweigh the harm or loss.</p> <p>Protecting of conservation areas are a long standing function of the planning system, costs associated with development affecting conservation areas should be considered through detailed development proposals.</p>
DM36: The setting of Designated Heritage Assets	Direct	<p>This policy will be used to assess proposals which may affect the setting of designated heritage assets. The Council recognises the significance of setting to a heritage asset and proposals that fail to preserve or enhance the setting of a designated heritage asset will not be supported by the Council.</p> <p>Development proposals that make a positive contribution to or better reveals the significance of the asset and its setting will be favourably considered.</p> <p>Protection of heritage assets is a long standing</p>

		function of the planning system, costs associated with development affecting heritage assets should be considered through detailed development proposals.
Policy DM37: Development Affecting Non-Designated Heritage Assets or Their Settings	No Impact	<p>This policy will be used to assess development which may affect non-designated heritage assets and their settings.</p> <p>Where a non-designated heritage asset is affected by development proposals, there will be a presumption in favour of its retention. Any loss of the whole or part of such an asset will require clear and convincing justification. No loss will be permitted without taking all reasonable steps to ensure the new development will proceed after the loss has occurred.</p> <p>Proposals within the setting of a non-designated heritage asset will be required to give due consideration to its significance and ensure that this is protected or enhanced where possible.</p>
Policy DM38: Archaeology	Direct	<p>This policy will be used to assess development which may have archaeological impacts.</p> <p>Development proposals which would have an adverse impact on nationally significant archaeological assets, whether scheduled or not will not be permitted. Where development affecting such sites is acceptable in principle, the Council will ensure mitigation of damage through preservation of the remains in situ as a preferred option.</p> <p>The Council will seek the preservation of archaeological assets unless it is not justified. In these circumstances, the development will not be permitted to commence until satisfactory provision has been made for a programme of investigation and recording.</p> <p>Protection of heritage assets is a long standing function of the planning system, costs associated with development affecting heritage assets should be considered through detailed development proposals.</p>
Policy DM39: Green Infrastructure	No Impact	<p>This policy will be used to assess proposals which affect green infrastructure, whether this is the creation of new green spaces or the loss of areas.</p> <p>Development proposals should incorporate new and/or enhanced green spaces of an appropriate type, standard, size and reflects the needs for the area as set out within the Council's open space assessment.</p> <p>The Council will expect proposals for new residential development to provide for improvements to open space. Proposals for major development should be accompanied by an audit</p>

		<p>of the Green Infrastructure within and adjacent to the site.</p> <p>The loss of green spaces and corridors will only be considered acceptable where it is allowed for as part of the development plan process and on balance achieves wider policy aims and objectives.</p>
Policy DM40: The Protection and Enhancements of Biodiversity	No Impact	<p>This policy will be used in relation to the protection of biodiversity.</p> <p>Development proposals should seek to minimise adverse impacts on biodiversity and/or geodiversity. Where harm from development cannot be avoided, adverse impacts may be managed, where developer can clearly demonstrate that the negative effects of a proposal may be mitigated.</p> <p>Adverse effects should be avoided, or where this is not possible they should be mitigated, to make sure that the integrity of the internationally important sites are protected. Development which may adversely affect the integrity of internationally important sites will only be permitted where there are absolutely no alternative solutions and there are imperative reasons of overriding public interest and where compensatory provision has been made.</p>
Policy DM41: Protection of Trees, Hedgerows and Woodland	No Impact	<p>This policy will be used in relation to the protection of trees, woodlands and hedgerows.</p> <p>The Council will support the protection of trees and hedgerows which positively contribute to the visual amenity and the environmental value of the location. The Council will also protect trees and seek to increase the resilience of all woodlands to climate change, pests and diseases. Development should positively incorporate existing trees and hedgerows within new development.</p> <p>The Council will expect appropriate opportunities to encourage the planning of new trees and woodland throughout the district in an effort to mitigate the impacts against Climate Change and to enhance the character and appearance of the district.</p>
Policy DM42: Development and Landscape Impact	Direct	<p>This policy will be used to assess the impacts on landscape from development proposals.</p> <p>Development proposals should, though siting, scale, massing, style and design seek to contribute positively to the conservation and enhancement of the protected landscape and its setting.</p> <p>Considerations will be given to both the individual and cumulative impacts of a proposal. Proposals which would have a significant adverse effect upon the character of the landscape or which would harm the landscape quality, nature conservation and enhancement of the protected landscape and</p>

		<p>its setting.</p> <p>Suitable allowance to be made in viability appraisals for quality of design, construction and landscaping to be reflected in build and external work costs.</p>
Policy DM43: Economic Development in Rural Areas	No Impact	<p>This policy will be used to assess proposals involving economic development in rural locations. The rural economy is a valuable asset to the district, creating jobs for local residents, encouraging visitors to the district and generating investment in the districts economy.</p> <p>Development proposals for economic development within rural areas which maintain and enhance rural vitality and character will be supported where it is demonstrated that they improve the sustainability of rural communities by bringing local economic, environmental and community benefits.</p> <p>Development in rural locations will not be supported if it is likely to adversely affect a designated wildlife site, either directly or indirectly through increasing the risk of disturbance created by visitor pressure.</p>
Policy DM44: Diversity in the Rural economy	No Impact	<p>This policy will be used to assess proposals which relate to the diversification of agricultural holdings.</p> <p>The Council will support proposals in rural areas which seek to diversify the rural economy where it is demonstrated that significant economic benefits exist from the diversification of the farm holding without generating adverse impacts on the environment.</p>
Policy DM45: Farm Shops	No Impact	<p>This policy will be used to assess proposals which relating to farm shops.</p> <p>Proposals for the development of farm shops which are linked to genuine farm diversification proposals will be supported where the proposal is well related to a primary transport route, does not compromise highway safety. Priority should be given to the re-use of existing buildings within the farm unit and designed in such a way which retains the traditional character of the holding and does not have detrimental impacts on the surrounding visual amenity.</p>
Policy DM46: The Re-use and Conversion of Rural Buildings	No Impact	<p>This policy will be used to assess proposals which are seeking to re-use or convert buildings in rural locations. The Council will expect proposals to re-use existing buildings which are already of a substantial and permanent construction and can be converted and re-used without any major structural works.</p> <p>Proposals which may have significant implications of the surrounding landscape should be accompanied by a Landscape Impact Assessment</p>

		to set out the levels of impact and suggest mitigation measures.
Policy DM47: Development in the Green Belt	No Impact	<p>This policy will be used to manage development proposals within the Green Belt. The Council will seek to manage development in the Green Belt to avoid inappropriate development. The Council will not permit extensions to existing dwellings which create an adverse impact on the openness of the Green Belt.</p> <p>Proposed development should be genuinely required for uses of land which preserve the openness of the Green Belt and do not conflict with the purposes of including land with it.</p>
Policy DM48: Equine Related Development	No Impact	<p>This policy will be used to assess any proposals for equine (horse) related development. Although there continues to be pressure for equine related development within the district that Council recognises that such development contributes towards the provision of recreational opportunities and the diversification of the rural economy.</p> <p>Horse-related activity and small-scale extensions to existing equestrian enterprises in rural areas will be permitted in principle. The Council will expect applicants to demonstrate that in identifying proposal sites, placing a greater priority towards accessible sites on the edge of existing settlement areas.</p>
Policy DM49: Caravan Sites, Chalet and Log Cabins	Indirect	<p>This policy will be used to assess proposals related to Caravans, Chalets and Log Cabins. The Council will seek to protect the most sensitive landscapes in the district, particularly those landscapes which have been designated for their importance from development which may have a negative impact in the quality of local landscapes and their setting.</p> <p>The Council will be more supportive towards the development of sites in appropriate and sustainable locations outside the AONBs.</p>
Policy DM50: Renewable and Low Carbon Energy Generation	No Impact	<p>This policy will be used to assess proposals related to renewable energy proposals. The Council is committed to supporting the transition to a lower carbon future and will seek to maximise the renewable and low carbon energy generated in the District.</p> <p>The Council will support proposals for renewable and low carbon energy schemes that offer the opportunity to contribute to a low carbon future where the direct and indirect impacts acceptable.</p>
Policy DM51: Updates to the National Grid	No Impact	<p>This policy will be used to set out the Council's approach to any future NSIPs relating to the creation of new National Grid Infrastructure. The Council recognises that the National Grid is a vital component of both the national and local economy and that there is an overriding need for the</p>

		upgrading of the existing grid system to meet modern demands.
Policy DM52: Neighbourhood Planning	No Impact	<p>This policy will be used to support the role of Neighbourhood Plans, where they have been formally made. The Council will support and assist the relevant qualifying organisation to positively prepare a Neighbourhood Plan which delivers new development and facilities for their community.</p> <p>Once a Neighbourhood Plan has been adopted by the Council it will form part of the local Plan for the district and will be a material consideration in determining planning applications.</p>
Policy DM53: Protection of Local Services and Community Facilities	No Impact	<p>This policy will be used to assess proposals which involve the creation or loss of community services. The Council recognises the role that local service can play in ensuring that communities are sustainable in the long term. The Council will therefore support proposals which seek to enhance the range of local services, subject to them satisfactorily meeting all other relevant policies within the local plan.</p> <p>Proposals for local service should be located in accessible and central location which can be easily accessed by the community by a variety of transport methods, particularly cycling and walking and where possible by public transport.</p>
Policy DM54: Health and Well-Being	No Impact	<p>This policy seeks to promote individuals health and well-being.</p> <p>Development should be delivered in order to enhance a sense of wellbeing and safety. Lancaster district is an attractive place to live and therefore important that new development consolidates the existing environment and distinctive sense of place which utilises high quality design.</p>
Policy DM55: Community Infrastructure Levy and Planning Obligations	Direct	<p>This policy provides a framework in relation to the Council's approaches to securing financial contributions through new development and the potential role of the Community Infrastructure Levy (CIL).</p> <p>Development proposals and infrastructure provision will be co-ordinated to ensure that growth within the district is supported, by the provision of infrastructure, services and facilities that are required to maintain and enhance the quality of life and responds to the needs of local people, the local environment and the local economy.</p> <p>Development proposals meeting the relevant CIL liability thresholds will be required to comply with the Council's CIL charging Schedule.</p> <p>Development viability is a material consideration that can be considered in assessing development</p>

		<p>proposals. In some circumstances, requirements for planning obligations may render development at the margins of viability.</p> <p>Suitable allowances and assumptions to be made either through specific costs or adjustment to external works.</p>
Policy DM56: Telecommunications and Broadband	No Impact	<p>This policy relates to proposals for new telecommunications and broadband equipment. The Council will support improvement and extension of telecommunication and broadband coverage and broadband speeds, particularly in rural areas which have poor or no service provision at all.</p> <p>The Council will work positively with all stakeholder groups, whether they are groups from the private sector, public sector or local community groups to improve telecommunication networks throughout the district.</p>
Policy DM57: Infrastructure Delivery plan	Direct	<p>This policy sets out the role of infrastructure in new development. The issue of delivering a new infrastructure is a key public concern which arises from new development proposals. In order to ensure that the infrastructure issues within the district are clear and understood the Council has prepared an Infrastructure Delivery Plan.</p> <p>Any proposals should consider the content of the Infrastructure Delivery Plan and with communication with the Council and other key infrastructure providers to ensure matters of infrastructure requirements are fully understood and appropriately addressed.</p> <p>The Council will not support proposals which so not sufficiently address the matters of infrastructure.</p> <p>Suitable allowance needs to be made in the viability appraisals for infrastructure, either through dedicated costs or adjustments to external works costs.</p>
Policy DM58: Enhancing Accessibility and Transport Linkages	Direct	<p>Development proposals should seek, through their design, construction and operation phases to address the issues of car parking and safe highways access. Appropriate design features should ensure that congestion around the site is minimised and that a safe highway environment is achieved.</p> <p>The Council will seek to ensure that development proposals, particularly those which will generate significant footfall and motorise vehicle journeys, are located where sustainable travel patterns can be achieved, with more higher density mixed-use development located in accessible centres or in close proximity to main public transport routes.</p> <p>Development proposals should seek to maximise</p>

		<p>the efficiency of capacity on the existing transport and highway network. Where such capacity is insufficient, the provision of new transport and highway infrastructure will be sought as a priority.</p> <p>Suitable allowance needs to be made in the viability appraisals for accessibility and transport linkages, either through dedicated costs or adjustments to external works costs.</p>
Policy DM59: Walking and Cycling	Direct	<p>This policy seeks to promote and support a greater role of cycling and walking in the district. The pedestrian environment and the opportunities for people to access key services via foot are acknowledged to be very important. Civic spaces and public realm should be accessible and inclusive for all pedestrian users. A good pedestrian environment has been recognised to be beneficial to an individual's well-being whilst also bringing economic benefits to town centre locations.</p> <p>Development which will generate a significant level of footfall should be located within central or highly accessible locations which provide good access for pedestrians.</p> <p>The Council will, where possible, support the growth of the local cycling network within the district to encourage and maintain the growth of cycle usage as a viable and suitable form of transport and recognise the value of such a network in creating a coherent network of green infrastructure.</p> <p>Suitable allowance needs to be made in the viability appraisals for walking and cycling provisions, either through dedicated costs or adjustment to external work costs.</p>
Policy DM60: Vehicle Parking Provision	Direct	<p>This policy will seek to ensure that sufficient vehicle parking is provided through new development. Development should provide adequate car parking to ensure that excessive levels of on-street parking are avoided, which could reduce highways efficiency, highway safety and adversely affect local amenity.</p> <p>Adequate and secure vehicle and cycle parking facilities should be provided to serve the needs of the proposed development. Car free development or development proposed which has very limited car parking provision will only be considered acceptable in appropriate locations and with the availability of alternative transport modes.</p> <p>Such costs will be included within usual development costs or external costs.</p>
Policy DM61: Transport Efficiency and Travel	Direct	<p>This policy seeks to support the role of travel plans as a part of any major development. All development introduces a level of change to the</p>

Plans		<p>surrounding environment and new development will need to be integrated into the local transport network so that the district will be able to accommodate growth in a sustainable manner.</p> <p>The Council will support proposals which maximise opportunities for the use of sustainable modes of travel. Development proposals should make appropriate contributions to improve the transport network and transport infrastructure.</p> <p>Development proposals will be supported where a travel plan can demonstrate that appropriate mitigation measures can be achieved and a clear approach is identified to deliver such measures.</p> <p>An allowance for travel plan preparation and monitoring to be included in applications.</p>
Policy DM62: Lancaster District Transport and Highways Masterplan	Direct	<p>This policy highlights the importance of the Highways and Transport Masterplan and the role that new development can play in delivering some of these outcomes. Lancaster City Council has been fully involved in the preparation of the Transport Masterplan with the final masterplan fully complimenting the proposals which are set out within this local development plan. The City and County Council will continue to work together in order to investigate and implement the interventions identified in the Transport Masterplan.</p> <p>Whilst major schemes will be expected to take full account of the content of the Transport Masterplan, smaller proposals will be expected to have due account of the content of the masterplan and seek to contribute to its delivery.</p> <p>Suitable allowance needs to be made in the viability appraisals for accessibility and transport linkages, either through dedicated costs or adjustments to external works costs.</p>
Policy DM63: Enforcement of Planning Controls	No Impact	<p>This policy seeks to enforce planning controls as per the enforcement charter.</p> <p>Where a breach of planning control has taken place, the Council will take enforcement action where necessary which is proportionate to the breach, in accordance with paragraph 207 of the National Planning Policy Framework.</p> <p>Where a breach causes harm in planning terms and it is expedient to take enforcement action the Council will select the appropriate level of action to be taken to remedy the breach.</p>
Policy DM64: Enforcement Action Against Untidy Buildings and Sites	No Impact	<p>This policy seeks to enforce against untidy buildings and premises as per the enforcement charter. The Council will continuously act to improve the amenities of its area. To compliment public sector improvements in urban areas and the management of the district's high quality rural areas</p>

		<p>the Council will take proactive action.</p> <p>The Council's adopted local enforcement plan contains further information.</p>
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Morecambe Area Action Plan DPD

The Morecambe Area Action Plan DPD, which was adopted alongside the Development Management DPD in December 2014, sets out a series of opportunities for investment within Central Morecambe. The document includes a series of strategic policies and site allocations which specifically relate to a defined area.

Arnsdale and Silverdale AONB Plan DPD

The Arnsdale and Silverdale Area of Outstanding Natural Beauty Management Plan has been produced by Lancaster City Council and South Lakeland District Councils ('SLDC'), with assistance from the Arnsdale and Silverdale AONB Unit. The DPD identifies sites for new housing and employment to meet local needs and will set out planning policies to ensure that development reflects the AONB designation. Viability testing of this document has been separately commissioned by the two local authorities and is therefore outside the scope of this study.

Appendix 2(i)

New build sales data analysis: Lancaster (LA1)

(01/2016 to 06/2017)

REDROW / BARRATT HOMES - RIVERSIDE VIEW, NEW QUAY ROAD, LA1 5QW (New build scheme)						m ²	ft ²	£/ft ²	
16	MARINER WAY	LANCASTER	LA1 5TS	D	£239,995	30/03/2017	110	1184	£203
19	MARINER WAY	LANCASTER	LA1 5TS	D	£219,995	26/01/2017	110	1184	£186
46	COTTON SQUARE	LANCASTER	LA1 5US	D	£249,995	20/01/2017	109	1173	£213
50	COTTON SQUARE	LANCASTER	LA1 5US	D	£319,995	06/01/2017	131	1410	£227
23	COTTON SQUARE	LANCASTER	LA1 5US	D	£259,995	12/12/2016	110	1184	£220
54	AFRICA DRIVE	LANCASTER	LA1 5TZ	D	£235,000	09/12/2016	105	1130	£208
48	COTTON SQUARE	LANCASTER	LA1 5US	D	£334,995	08/12/2016	142	1528	£219
21	COTTON SQUARE	LANCASTER	LA1 5US	D	£334,995	03/11/2016	142	1528	£219
4	FIFE STREET	LANCASTER	LA1 5TW	D	£239,995	03/11/2016	110	1184	£203
19	COTTON SQUARE	LANCASTER	LA1 5US	D	£259,995	28/10/2016	110	1184	£220
11	MARINER WAY	LANCASTER	LA1 5TS	D	£249,995	30/09/2016	110	1184	£211
6	NAIRN ROAD	LANCASTER	LA1 5UY	D	£344,995	23/09/2016	142	1528	£226
17	MARINER WAY	LANCASTER	LA1 5TS	D	£249,995	09/09/2016	110	1184	£211
7	MARINER WAY	LANCASTER	LA1 5TS	D	£274,995	09/09/2016	110	1184	£232
10	NAIRN ROAD	LANCASTER	LA1 5UY	D	£319,995	02/09/2016	142	1528	£209
22	NAIRN ROAD	LANCASTER	LA1 5UY	D	£249,995	02/09/2016	109	1173	£213
12	MARINER WAY	LANCASTER	LA1 5TS	D	£274,995	26/08/2016	110	1184	£232
10	MARINER WAY	LANCASTER	LA1 5TS	D	£249,995	19/08/2016	110	1184	£211
4	NAIRN ROAD	LANCASTER	LA1 5UY	D	£324,995	22/07/2016	128	1378	£236
15	COTTON SQUARE	LANCASTER	LA1 5US	D	£319,995	08/07/2016	131	1410	£227
13	MARINER WAY	LANCASTER	LA1 5TS	D	£239,995	08/07/2016	110	1184	£203
59	AFRICA DRIVE	LANCASTER	LA1 5TZ	D	£249,995	24/06/2016	105	1130	£221
15	MARINER WAY	LANCASTER	LA1 5TS	D	£249,995	03/06/2016	110	1184	£211
57	AFRICA DRIVE	LANCASTER	LA1 5TZ	D	£229,995	27/05/2016	103	1109	£207
55	AFRICA DRIVE	LANCASTER	LA1 5TZ	D	£229,995	20/05/2016	103	1109	£207
9	MARINER WAY	LANCASTER	LA1 5TS	D	£239,995	17/05/2016	110	1184	£203
20	NAIRN ROAD	LANCASTER	LA1 5UY	D	£254,995	15/04/2016	109	1173	£217
11	COTTON SQUARE	LANCASTER	LA1 5US	D	£254,995	30/03/2016	109	1173	£217
16	NAIRN ROAD	LANCASTER	LA1 5UY	D	£254,995	18/03/2016	109	1173	£217
8	MARINER WAY	LANCASTER	LA1 5TS	D	£259,995	29/01/2016	110	1184	£220
18	NAIRN ROAD	LANCASTER	LA1 5UY	D	£299,995	29/01/2016	131	1410	£213
13	COTTON SQUARE	LANCASTER	LA1 5US	D	£305,995	22/01/2016	128	1378	£222
24	NAIRN ROAD	LANCASTER	LA1 5UY	D	£250,995	22/01/2016	110	1184	£212
Detached units		Number of sales (units)		33	£268,995	AVERAGES	116	1249	£215
46	AFRICA DRIVE	LANCASTER	LA1 5TZ	S	£161,495	03/03/2017	69	743	£217
48	AFRICA DRIVE	LANCASTER	LA1 5TZ	S	£169,995	27/01/2017	69	743	£229
50	AFRICA DRIVE	LANCASTER	LA1 5TZ	S	£237,995	25/11/2016	121	1302	£183
52	AFRICA DRIVE	LANCASTER	LA1 5TZ	S	£237,995	25/11/2016	121	1302	£183
61	AFRICA DRIVE	LANCASTER	LA1 5TZ	S	£169,995	25/11/2016	69	743	£229
63	AFRICA DRIVE	LANCASTER	LA1 5TZ	S	£175,995	28/06/2016	69	743	£237
51	AFRICA DRIVE	LANCASTER	LA1 5TZ	S	£184,995	26/02/2016	77	829	£223
Semi-detached units		Number of sales (units)		7	£191,209	AVERAGES	85	915	£209
21	MARINER WAY	LANCASTER	LA1 5TS	T	£171,696	31/03/2017	77	829	£207
25	MARINER WAY	LANCASTER	LA1 5TS	T	£209,995	31/03/2017	107	1152	£182
27	MARINER WAY	LANCASTER	LA1 5TS	T	£179,995	31/03/2017	77	829	£217
62	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£278,995	31/03/2017	136	1464	£191 3 storey
63	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£269,995	31/03/2017	136	1464	£184 3 storey
42	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£168,145	24/03/2017	77	829	£203
4	GOLD LANE	LANCASTER	LA1 5TY	T	£163,995	24/02/2017	69	743	£221
69	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£179,995	27/01/2017	77	829	£217
40	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£176,995	23/12/2016	77	829	£214
2	GOLD LANE	LANCASTER	LA1 5TY	T	£166,995	23/12/2016	69	743	£225 end terr
71	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£170,000	16/12/2016	77	829	£205
77	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£177,896	25/11/2016	77	829	£215
26	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£189,995	28/10/2016	77	829	£229
38	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£186,995	30/09/2016	77	829	£226 assumed
44	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£186,995	30/09/2016	77	829	£226
75	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£204,995	30/09/2016	107	1152	£178
8	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£274,995	23/09/2016	136	1464	£188 3 storey
22	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£284,995	16/09/2016	136	1464	£195 3 storey
23	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£272,995	16/09/2016	136	1464	£186 3 storey

	9	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£267,995	16/09/2016	136	1464	£183 assumed	
	10	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£267,995	09/09/2016	136	1464	£183 3 storey	
	11	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£274,995	02/09/2016	136	1464	£188 3 storey	
	20	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£201,995	29/07/2016	107	1152	£175	
	12	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£274,995	15/07/2016	136	1464	£188 3 storey	
	14	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£259,995	06/07/2016	136	1464	£178 3 storey	
	18	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£184,995	24/06/2016	77	829	£223	
	24	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£199,995	24/06/2016	107	1152	£174	
	32	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£199,995	24/06/2016	107	1152	£174	
	34	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£201,995	24/06/2016	107	1152	£175	
	36	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£184,995	24/06/2016	77	829	£223	
	60	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£204,995	24/06/2016	107	1152	£178	
	22	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£201,995	17/06/2016	107	1152	£175	
	13	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£259,995	27/05/2016	136	1464	£178 3 storey	
	61	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£212,995	27/05/2016	115	1238	£172	
	58	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£208,995	20/05/2016	107	1152	£181	
	59	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£208,995	20/05/2016	115	1238	£169	
	15	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£267,995	06/05/2016	136	1464	£183 3 storey	
	28	AFRICA DRIVE	LANCASTER	LA1 5TZ	T	£139,995	29/04/2016	58	624	£224	
	18	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£254,995	04/03/2016	136	1464	£174 3 storey	
	16	NEW QUAY ROAD	LANCASTER	LA1 5UZ	T	£262,995	26/02/2016	136	1464	£180 3 storey	
	Terraced units		Number of sales (units)	40		£216,514	AVERAGES	105	1135	£191	
FLAT J	67	NEW QUAY ROAD	LANCASTER	LA1 5UZ	F	£104,995	06/10/2016	66	710	£148	
FLAT F	67	NEW QUAY ROAD	LANCASTER	LA1 5UZ	F	£109,995	16/06/2016	66	710	£155	
FLAT C	67	NEW QUAY ROAD	LANCASTER	LA1 5UZ	F	£109,995	20/04/2016	50	538	£204	
FLAT B	67	NEW QUAY ROAD	LANCASTER	LA1 5UZ	F	£129,995	15/04/2016	50	538	£242	
FLAT G	67	NEW QUAY ROAD	LANCASTER	LA1 5UZ	F	£139,995	15/04/2016	47	506	£277	
FLAT H	67	NEW QUAY ROAD	LANCASTER	LA1 5UZ	F	£129,995	15/04/2016	47	506	£257	
FLAT A	67	NEW QUAY ROAD	LANCASTER	LA1 5UZ	F	£139,995	08/04/2016	50	538	£260	
FLAT D	67	NEW QUAY ROAD	LANCASTER	LA1 5UZ	F	£139,995	07/04/2016	50	538	£260	
FLAT E	67	NEW QUAY ROAD	LANCASTER	LA1 5UZ	F	£129,995	07/04/2016	50	538	£242	
	2	FIFE STREET	LANCASTER	LA1 5TW	F	£129,995	01/04/2016	66	710	£183	
	Flatted units		Number of sales (units)	10		£126,495	AVERAGES	54	583	£217	
RIVERSIDE VIEW						AVERAGES FOR SCHEME		£223,787	102	1098	£204
MILLER HOMES - THE POTTERIES (PHASE 1), WYRESDALE ROAD, LA1 3TB (New build scheme)								m ²	ft ²	£/ft ²	
	81	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£249,995	31/03/2017	102	1098	£228	
	79	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£224,995	24/02/2017	89	958	£235	
	56	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£364,995	20/01/2017	149	1601	£228	
	52	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£249,995	16/12/2016	100	1075	£233	
	73	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£218,495	16/12/2016	89	957	£228	
	75	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£276,995	16/12/2016	125	1341	£207	
	71	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£218,496	09/12/2016	89	957	£228	
	67	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£229,250	14/10/2016	86	921	£249	
	24	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£279,950	23/09/2016	114	1226	£228	
	44	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£229,250	23/09/2016	89	957	£240	
	65	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£249,995	23/09/2016	100	1075	£233	
	48	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£293,995	26/08/2016	125	1345	£219	
	50	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£340,995	26/08/2016	139	1500	£227	
	46	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£340,995	28/07/2016	139	1500	£227	
	42	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£229,995	22/07/2016	89	957	£240	
	36	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£349,995	24/06/2016	149	1601	£219	
	22	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£279,995	27/05/2016	125	1341	£209	
	18	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£256,453	20/05/2016	114	1226	£209	
	9	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£234,995	13/05/2016	89	957	£246	
	9	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£279,995	31/03/2016	125	1341	£209	
	16	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£259,596	24/03/2016	125	1341	£194	
	20	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£349,950	17/03/2016	149	1601	£219	
	55	POTTERY GARDENS	LANCASTER	LA1 3TB	D	£237,995	29/02/2016	86	921	£258	
	Detached units		Number of sales (units)	23		£271,625	AVERAGES	112	1209	£225	
	85	POTTERY GARDENS	LANCASTER	LA1 3TB	S	£212,995	24/02/2017	101	1087	£196	
	61	POTTERY GARDENS	LANCASTER	LA1 3TB	S	£211,995	23/09/2016	101	1087	£195	
	59	POTTERY GARDENS	LANCASTER	LA1 3TB	S	£211,995	26/08/2016	101	1087	£195	
	Semi-detached units		Number of sales (units)	3		£212,328	AVERAGES	101	1087	£195	
THE POTTERIES (PHASE 1)						AVERAGES FOR SCHEME		£264,783	111	1195	£222

BARRATT HOMES - QUERNMORE PARK (NIGHTINGALE HALL FARM), LA1 3SZ (New build scheme)							m ²	ft ²	£/ft ²
25	ELLWOOD SQUARE	LANCASTER	LA1 3RX	D	£319,995	16/06/2017	113	1216	£263
2	ELLWOOD SQUARE	LANCASTER	LA1 3RX	D	£239,995	03/04/2017	87	936	£256
34	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	D	£325,720	27/01/2017	113	1216	£268
5	MACDONALD WAY	LANCASTER	LA1 3TA	D	£314,995	21/10/2016	113	1216	£259
1	MACDONALD WAY	LANCASTER	LA1 3TA	D	£241,995	26/08/2016	87	936	£259
3	MACDONALD WAY	LANCASTER	LA1 3TA	D	£299,995	25/08/2016	112	1206	£249
7	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	D	£249,995	30/06/2016	103	1109	£225
18	MACDONALD WAY	LANCASTER	LA1 3TA	D	£299,995	27/05/2016	112	1206	£249
20	MACDONALD WAY	LANCASTER	LA1 3TA	D	£310,995	27/05/2016	112	1206	£258
16	MACDONALD WAY	LANCASTER	LA1 3TA	D	£299,995	29/04/2016	112	1206	£249
14	MACDONALD WAY	LANCASTER	LA1 3TA	D	£376,120	11/04/2016	142	1528	£246
12	MACDONALD WAY	LANCASTER	LA1 3TA	D	£367,995	23/02/2016	142	1528	£241
19	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	D	£310,995	29/01/2016	113	1216	£256
10	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	D	£320,995	18/01/2016	113	1216	£264
Detached units					Number of sales (units)	14	£305,699	AVERAGES	112 1210 £253
29	ELLWOOD SQUARE	LANCASTER	LA1 3RX	S	£229,995	30/06/2017	91	980	£235
10	ELLWOOD SQUARE	LANCASTER	LA1 3RX	S	£226,995	26/05/2017	89	958	£237
12	ELLWOOD SQUARE	LANCASTER	LA1 3RX	S	£206,995	26/05/2017	77	829	£250
22	ELLWOOD SQUARE	LANCASTER	LA1 3RX	S	£231,995	17/05/2017	89	958	£242
6	ELLWOOD SQUARE	LANCASTER	LA1 3RX	S	£209,995	28/04/2017	77	829	£253
4	ELLWOOD SQUARE	LANCASTER	LA1 3RX	S	£224,995	24/03/2017	89	958	£235
11	ELLWOOD SQUARE	LANCASTER	LA1 3RX	S	£233,995	23/12/2016	111	1195	£196 3 storey
9	ELLWOOD SQUARE	LANCASTER	LA1 3RX	S	£233,995	23/12/2016	111	1195	£196 3 storey
22	MACDONALD WAY	LANCASTER	LA1 3TA	S	£230,495	28/10/2016	91	980	£235
24	MACDONALD WAY	LANCASTER	LA1 3TA	S	£230,495	26/08/2016	91	980	£235
7	MACDONALD WAY	LANCASTER	LA1 3TA	S	£232,495	22/08/2016	91	980	£237
9	MACDONALD WAY	LANCASTER	LA1 3TA	S	£230,495	30/06/2016	91	980	£235
26	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	S	£232,995	30/06/2016	111	1195	£195 3 storey
28	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	S	£241,245	28/06/2016	111	1195	£202 3 storey
30	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	S	£184,995	17/06/2016	69	743	£249
32	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	S	£184,995	17/06/2016	69	743	£249
20	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	S	£230,495	29/04/2016	91	980	£235
18	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	S	£230,495	24/03/2016	91	980	£235
24	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	S	£232,995	24/03/2016	111	1195	£195 3 storey
22	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	S	£232,995	15/03/2016	111	1195	£195 3 storey
Semi-detached units					Number of sales (units)	20	£224,708	AVERAGES	93 1002 £224
28	ELLWOOD SQUARE	LANCASTER	LA1 3RX	T	£239,995	30/06/2017	111	1195	£201 3 storey
14	ELLWOOD SQUARE	LANCASTER	LA1 3RX	T	£208,995	13/04/2017	77	829	£252
11	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	T	£215,495	29/03/2016	111	1195	£180 end terr
13	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	T	£209,495	24/03/2016	111	1195	£175 3 storey
15	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	T	£213,495	24/03/2016	111	1195	£179 3 storey
17	NIGHTINGALE HALL ROAD	LANCASTER	LA1 3SZ	T	£215,495	24/03/2016	111	1195	£180 end terr
Terraced units					Number of sales (units)	6	£217,162	AVERAGES	105 1134 £192
QUERNMORE PARK							AVERAGES FOR SCHEME	102 1095 £230	
STORY HOMES - HIGH WOOD, QUERNMORE ROAD, LA1 3SA (New build scheme)							m ²	ft ²	£/ft ²
6	WOODLANDS CLOSE	LANCASTER	LA1 3FX	D	£304,995	16/06/2017	121	1302	£234
47	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£274,950	31/03/2017	106	1141	£241
45	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£335,995	10/03/2017	131	1410	£238
39	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£335,995	10/02/2017	131	1410	£238
43	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£276,995	10/02/2017	106	1141	£243
41	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£274,995	27/01/2017	106	1141	£241
19	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£326,950	09/12/2016	131	1410	£232
21	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£321,950	09/12/2016	172	1851	£174
2	CAMPBELL DRIVE	LANCASTER	LA1 3SA	D	£330,000	18/11/2016	131	1341	£246
13	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£322,950	11/11/2016	121	1302	£248
15	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£292,950	11/11/2016	131	1410	£208
5	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£326,950	21/10/2016	116	1249	£262
10	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£328,950	14/10/2016	131	1410	£233
3	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£289,950	14/10/2016	131	1410	£206
1	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£352,950	07/10/2016	116	1410	£250
8	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£356,950	03/10/2016	146	1572	£227
2	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£272,950	30/09/2016	116	1249	£219
12	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£329,950	02/09/2016	132	1420	£232
6	COLEMAN DRIVE	LANCASTER	LA1 3FQ	D	£354,950	02/09/2016	146	1572	£226
26	KERSHAW DRIVE	LANCASTER	LA1 3FY	D	£322,950	01/07/2016	132	1421	£227
1	KERSHAW DRIVE	LANCASTER	LA1 3FY	D	£339,950	30/06/2016	136	1464	£232

	31 KERSHAW DRIVE		LANCASTER	LA1 3FY	D	£318,703	27/05/2016	133	1431	£223	
	36 COLEMAN DRIVE		LANCASTER	LA1 3FQ	D	£284,950	26/05/2016	116	1249	£228	
	7 DUTTON DRIVE		LANCASTER	LA1 3FT	D	£316,950	22/01/2016	132	1421	£223	
	7 MALLSIDE CLOSE		LANCASTER	LA1 3FZ	D	£293,950	22/01/2016	121	1302	£226	
	1 DUTTON DRIVE		LANCASTER	LA1 3FT	D	£321,950	15/01/2016	132	1421	£227	
	Detached units	Number of sales (units)	26	£315,836	AVERAGES	128	1379	£229			
	29 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£240,591	17/06/2016	123	1324	£182	
	30 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£242,950	17/06/2016	123	1324	£184	
	28 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£224,950	27/05/2016	87	936	£240	
	4 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£226,950	26/05/2016	93	1001	£227	
	24 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£196,950	06/05/2016	106	1141	£173	
	3 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£229,950	03/05/2016	93	1001	£230	
	34 COLEMAN DRIVE		LANCASTER	LA1 3FQ	S	£219,950	29/04/2016	87	936	£235	
	2 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£239,950	29/04/2016	107	1152	£208	
	10 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£232,450	31/03/2016	93	1001	£232	
	5 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£234,950	31/03/2016	107	1152	£204	
	32 COLEMAN DRIVE		LANCASTER	LA1 3FQ	S	£220,950	04/03/2016	87	936	£236	
	6 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£234,950	29/02/2016	107	1152	£204	
	7 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£229,950	29/02/2016	93	1001	£230	
	8 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£224,950	29/01/2016	97	1044	£215	
	9 KERSHAW DRIVE		LANCASTER	LA1 3FY	S	£224,950	29/01/2016	97	1044	£215	
	Semi-detached units	Number of sales (units)	15	£228,359	AVERAGES	100	1076	£212			
	28 COLEMAN DRIVE		LANCASTER	LA1 3FQ	T	£194,950	24/03/2016	77	829	£235	
	30 COLEMAN DRIVE		LANCASTER	LA1 3FQ	T	£196,950	24/03/2016	77	829	£238	
	26 COLEMAN DRIVE		LANCASTER	LA1 3FQ	T	£196,995	21/03/2016	77	829	£238	
	40 COLEMAN DRIVE		LANCASTER	LA1 3FQ	T	£237,950	04/03/2016	119	1281	£186	
	38 COLEMAN DRIVE		LANCASTER	LA1 3FQ	T	£239,950	05/02/2016	119	1281	£187	end terr
	42 COLEMAN DRIVE		LANCASTER	LA1 3FQ	T	£239,950	29/01/2016	119	1281	£187	end terr
	Terraced units	Number of sales (units)	6	£217,791	AVERAGES	98	1055	£206			
	HIGH WOOD		AVERAGES FOR SCHEME	£275,401		115	1241	£222			
P J LIVESEY - LANCASTER MOOR, QUERNMORE ROAD, LA1 3SY (Conversion of listed building)								m²	ft²	£/ft²	
104 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£169,450	28/04/2017	94	1012	£167	mid-floor		
221 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£255,000	28/04/2017	102	1098	£232	top-floor		
11 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£179,950	28/04/2017	90	969	£186	gd-floor		
31 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£174,950	31/03/2017	79	850	£206	mid-floor		
29 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£199,950	27/02/2017	87	936	£214	mid-floor		
32 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£159,000	27/02/2017	76	818	£194	mid-floor		
37 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£174,950	27/02/2017	72	775	£226	gd-floor		
34 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£149,950	22/12/2016	75	807	£186	gd-floor		
38 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£189,950	22/12/2016	81	872	£218	gd-floor		
134 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£179,950	19/12/2016	95	1023	£176	mid-floor		
126 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£259,950	30/11/2016	115	1238	£210	top mais		
27 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£229,950	31/10/2016	92	990	£232	mid-floor		
36 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£189,950	31/10/2016	80	861	£221	gd-floor		
35 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£219,950	30/09/2016	96	1033	£213	gd-floor		
127 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£174,950	09/09/2016	73	786	£223	top-floor		
24 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£194,950	02/09/2016	85	915	£213	gd-floor		
125 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£174,950	31/08/2016	73	786	£223	top-floor		
219 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£199,950	08/08/2016	84	904	£221	mid-floor		
26 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£159,950	29/07/2016	73	786	£204	mid-floor		
28 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£189,950	29/07/2016	81	872	£218	mid-floor		
8 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£184,950	08/07/2016	65	700	£264	gd-floor		
10 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£194,950	07/07/2016	69	743	£262	gd-floor		
25 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£189,950	01/07/2016	77	829	£229	gd-floor		
217 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£224,950	27/06/2016	98	1055	£213	mid-floor		
23 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£129,950	10/06/2016	54	581	£224	gd-floor		
124 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£129,950	03/06/2016	54	581	£224	mid-floor		
16 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TG	F	£214,950	20/05/2016	95	1023	£210	gd-floor		
121 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£219,950	13/05/2016	97	1044	£211	mid-floor		
20 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£219,950	15/04/2016	94	1012	£217	gd-floor		
215 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£124,950	31/03/2016	53	570	£219	mid-floor		
301 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£324,950	31/03/2016	138	1485	£219	top-floor		
117 NORTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3TF	F	£315,000	18/03/2016	138	1485	£212	mid-floor		
115 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£249,950	11/03/2016	114	1227	£204	mid-floor		
209 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£179,950	29/02/2016	75	807	£223	top-floor		
211 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£179,950	29/02/2016	75	807	£223	top-floor		
218 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£185,950	29/02/2016	80	861	£216	mid-floor		
210 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£274,950	19/02/2016	130	1399	£196	top-floor		
216 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£139,950	05/02/2016	61	657	£213	mid-floor		

2 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£219,950	29/01/2016	110	1184	£186	gd mais
215 NORTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£350,000	29/01/2016	172	1851	£189	top-floor
301 NORTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£324,950	29/01/2016	156	1679	£194	top-floor
102 NORTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£117,000	26/01/2016	62	667	£175	mid-floor
3 SOUTH WING	THE RESIDENCE, KERSHAW DRIVE LANCASTER	LA1 3SY	F	£212,000	07/01/2016	105	1130	£188	gd-floor
Flatted Units		Number of sales (units)		43	£203,178	AVERAGES	90	970	£209
LANCASTER MOOR		AVERAGES FOR SCHEME (All Flatted units)			£203,178	AVERAGES	90	970	£209

MC CARTHY & STONE - WILLIAMSON COURT, GREAVES ROAD, LA1 4AR (Assisted Living Scheme)							m ²	ft ²	£/ft ²		
FLAT 1	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£168,179	28/02/2017	77	829	£203	gd-floor	
FLAT 10	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£160,901	28/02/2017	74	797	£202	top-floor	
FLAT 11	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£168,179	28/02/2017	67	721	£233	top-floor	
FLAT 12	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£113,594	28/02/2017	52	560	£203	mid-floor	
FLAT 14	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£190,013	28/02/2017	86	926	£205	mid-floor	
FLAT 15	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£197,320	28/02/2017	86	926	£213	mid-floor	
FLAT 16	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£120,872	28/02/2017	49	527	£229	mid-floor	
FLAT 17	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£160,901	28/02/2017	73	786	£205	mid-floor	
FLAT 18	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£124,511	28/02/2017	57	614	£203	mid-floor	
FLAT 19	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£124,511	28/02/2017	56	603	£207	mid-floor	
FLAT 2	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£164,540	28/02/2017	74	797	£207	gd-floor	
FLAT 20	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£124,511	28/02/2017	57	614	£203	mid-floor	
FLAT 21	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£124,511	28/02/2017	57	614	£203	mid-floor	
FLAT 22	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£139,067	28/02/2017	67	721	£193	mid-floor	
FLAT 23	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£139,067	28/02/2017	61	657	£212	mid-floor	
FLAT 24	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£168,179	28/02/2017	77	829	£203	mid-floor	
FLAT 26	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£120,872	28/02/2017	55	592	£204	mid-floor	
FLAT 3	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£168,179	28/02/2017	67	721	£233	gd-floor	
FLAT 31	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£164,540	28/02/2017	73	786	£209	mid-floor	
FLAT 32	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£128,150	28/02/2017	57	614	£209	mid-floor	
FLAT 33	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£128,150	28/02/2017	56	603	£213	mid-floor	
FLAT 34	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£128,150	28/02/2017	57	614	£209	mid-floor	
FLAT 35	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£128,150	28/02/2017	57	614	£209	mid-floor	
FLAT 36	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£139,067	28/02/2017	67	721	£193	top-floor	
FLAT 37	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£131,789	28/02/2017	56	603	£219	top-floor	
FLAT 38	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£168,179	28/02/2017	74	797	£211	mid-floor	
FLAT 39	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£117,233	28/02/2017	74	797	£147	mid-floor	
FLAT 4	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£108,168	28/02/2017	52	560	£193	gd-floor	
FLAT 40	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£124,613	28/02/2017	55	592	£210	top-floor	
FLAT 41	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£124,511	28/02/2017	55	592	£210	top-floor	
FLAT 43	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£200,930	28/02/2017	86	926	£217	top-floor	
FLAT 44	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£164,540	28/02/2017	73	786	£209	mid-floor	
FLAT 45	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£128,150	28/02/2017	57	614	£209	mid-floor	
FLAT 46	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£128,150	28/02/2017	56	603	£213	mid-floor	
FLAT 47	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£128,150	28/02/2017	57	614	£209	mid-floor	
FLAT 48	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£128,150	28/02/2017	57	614	£209	mid-floor	
FLAT 49	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£172,753	28/02/2017	66	710	£243	top-floor	
FLAT 5	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£127,313	28/02/2017	57	614	£208	gd-floor	
FLAT 51	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£131,789	28/02/2017	57	614	£215	top-floor	
FLAT 52	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£131,789	28/02/2017	54	581	£227	top-floor	
FLAT 53	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£139,067	28/02/2017	57	614	£227	top-floor	
FLAT 6	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£128,179	28/02/2017	57	614	£209	gd-floor	
FLAT 7	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£142,706	28/02/2017	67	721	£198	mid-floor	
FLAT 8	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£139,067	28/02/2017	61	657	£212	mid-floor	
FLAT 9	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£157,262	28/02/2017	77	829	£190	mid-floor	
FLAT 42	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£284,999	24/02/2017	86	926	£308	top-floor	
FLAT 30	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£184,999	06/02/2017	49	527	£351	top-floor	
FLAT 50	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£199,999	03/02/2017	57	614	£326	top-floor	
FLAT 28	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£284,999	27/01/2017	86	926	£308	mid-floor	
FLAT 29	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£284,999	25/01/2017	86	926	£308	mid-floor	
FLAT 13	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£259,999	24/01/2017	77	829	£314	mid-floor	
FLAT 54	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£244,999	24/01/2017	73	786	£312	top-floor	
FLAT 25	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£179,999	23/01/2017	51	549	£328	mid-floor	
FLAT 27	WILLIAMSON COURT, 142 GREAVES ROAD	LANCASTER	LA1 4AR	F	£184,999	23/01/2017	55	592	£312	mid-floor	
WILLIAMSON COURT					AVERAGES FOR SCHEME (All Flatted units)			£157,900	65	694	£227

CANAL AND RIVER TRUST - ALDCLIFFE YARD, LA1 1BF (Custom Build Scheme)							m ²	ft ²	£/ft ²	
12	ALDCLIFFE YARD	LANCASTER	LA1 1BF	S	£295,000	13/04/2017	90	969	£305	
14	ALDCLIFFE YARD	LANCASTER	LA1 1BF	S	£285,000	22/12/2016	90	969	£294	
7	ALDCLIFFE YARD	LANCASTER	LA1 1BF	T	£380,000	10/03/2017	194	2088	£182	end terr
3	ALDCLIFFE YARD	LANCASTER	LA1 1BF	T	£299,950	12/07/2016	114	1227	£244	mid terr
2	ALDCLIFFE YARD	LANCASTER	LA1 1BF	T	£295,000	22/06/2016	90	969	£305	end terr
5	ALDCLIFFE YARD	LANCASTER	LA1 1BF	T	£345,000	21/06/2016	137	1475	£234	mid terr
ALDCLIFFE YARD		AVERAGES FOR SCHEME			£316,658		119	1,283	£247	

SUMMARY - HMLR New Build Data - Lancaster (LA1) - 01-01-2016 to 31-06-2017 (See Note 1)							m ²	ft ²	£/ft ²	
	Detached detached	Number of sales (units)	96	£287,664	AVERAGES		118	1268	£227	
	Semi-detached dwellings	Number of sales (units)	45	£219,889	AVERAGES		95	1019	£216	
	Terraced dwellings	Number of sales (units)	52	£216,736	AVERAGES		105	1125	£193	
	Flatted units	Number of sales (units)	53	£188,709	AVERAGES		83	897	£210	
	ALL UNITS	Number of sales (units)	246	£238,954	AVERAGES		103	1107	£216	

Note 1 - Excluding Williamson Court and Aldcliffe Yard, as not considered representative of mainstream developments

Appendix 2(ii)

New build sales data analysis: Halton / Galgate (LA2)

(01/2016 to 06/2017)

BARRATT HOMES - TOWN END WAY / WATERS EDGE, HALTON, LA2 6RJ (New build scheme)								m ²	ft ²	£/ft ²	
	3 MILL LANE MEWS	HALTON	LANCASTER	LA2 6RN	D	£332,495	27/05/2016	175	1884	£177	3 storey
	2 MILL LANE MEWS	HALTON	LANCASTER	LA2 6RN	D	£263,995	06/05/2016	132	1421	£186	3 storey
	4 MILL LANE MEWS	HALTON	LANCASTER	LA2 6RN	D	£332,495	24/03/2016	175	1884	£177	3 storey
	Detached units		Number of sales (units)		3	£309,662	AVERAGES	161	1729	£179	
	12 TOWN END WAY	HALTON	LANCASTER	LA2 6RJ	T	£237,000	04/11/2016	114	1227	£193	3 storey
	14 TOWN END WAY	HALTON	LANCASTER	LA2 6RJ	T	£237,000	12/08/2016	114	1227	£193	3 storey
	15 TOWN END WAY	HALTON	LANCASTER	LA2 6RJ	T	£235,000	22/04/2016	114	1227	£192	3 storey
	11 TOWN END WAY	HALTON	LANCASTER	LA2 6RJ	T	£235,000	24/03/2016	114	1227	£192	3 storey
	11 MILL LANE	HALTON	LANCASTER	LA2 6ND	S	£209,995	24/03/2016	107	1152	£182	3 storey
	9 MILL LANE	HALTON	LANCASTER	LA2 6ND	T	£209,995	24/03/2016	107	1152	£182	3 storey
	17 TOWN END WAY	HALTON	LANCASTER	LA2 6RJ	T	£235,000	21/03/2016	114	1227	£192	3 storey
	10 TOWN END WAY	HALTON	LANCASTER	LA2 6RJ	T	£225,000	19/02/2016	114	1227	£183	3 storey
	25A MILL LANE	HALTON	LANCASTER	LA2 6ND	T	£212,995	15/01/2016	107	1152	£185	3 storey
	Semi-detached / Terraced units		Number of sales (units)		9	£226,332	AVERAGES	112	1202	£188	
	APARTMENT 305	TOWN END WAY	HALTON	LANCASTER	LA2 6RJ	F	£106,000	29/07/2016	48	517	£205
	APARTMENT 303	TOWN END WAY	HALTON	LANCASTER	LA2 6RJ	F	£107,000	15/04/2016	50	538	£199
	Flatted units		Number of sales (units)		2	£106,500	AVERAGES	49	527	£202	
	TOWN END WAY / WATERS EDGE			AVERAGES FOR SCHEME				106	1136	£186	

PERSIMMON HOMES - LAUNDS FIELD, GALGATE, LA2 0LE (New build scheme)								m ²	ft ²	£/ft ²	
	11 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	D	£185,995	25/05/2017	81	872	£213	
	14 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	D	£239,995	25/05/2017	110	1184	£203	
	25 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	D	£186,995	31/03/2017	81	872	£214	
	38 SKEW BRIDGE LANE	GALGATE	LANCASTER	LA2 0LD	D	£234,995	13/02/2017	108	1163	£202	
	2 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	D	£246,995	22/12/2016	110	1184	£209	
	35 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	D	£186,995	20/12/2016	81	872	£214	
	6 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	D	£207,995	25/11/2016	88	947	£220	
	34 SKEW BRIDGE LANE	GALGATE	LANCASTER	LA2 0LD	D	£184,995	18/11/2016	81	872	£212	
	4 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	D	£207,995	24/10/2016	88	947	£220	
	39 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	D	£259,995	07/10/2016	116	1249	£208	
	32 SKEW BRIDGE LANE	GALGATE	LANCASTER	LA2 0LD	D	£239,995	06/10/2016	108	1163	£206	
	36 SKEW BRIDGE LANE	GALGATE	LANCASTER	LA2 0LD	D	£184,995	30/09/2016	81	872	£212	
	44 SKEW BRIDGE LANE	GALGATE	LANCASTER	LA2 0LD	D	£244,995	28/09/2016	108	1163	£211	
	30 SKEW BRIDGE LANE	GALGATE	LANCASTER	LA2 0LD	D	£254,995	04/07/2016	116	1249	£204	
	28 SKEW BRIDGE LANE	GALGATE	LANCASTER	LA2 0LD	D	£204,995	29/04/2016	88	947	£216	
	Detached units		Number of sales (units)		14	£233,780	AVERAGES	103	1111	£210	
	10 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	S	£139,995	25/11/2016	54	581	£241	
	12 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	S	£139,995	25/11/2016	54	581	£241	
	27 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	S	£129,995	22/12/2016	50	538	£242	
	29 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	S	£129,995	19/12/2016	50	538	£242	
	31 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	S	£129,995	19/12/2016	50	538	£242	
	33 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	S	£129,995	19/12/2016	50	538	£242	
	3 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	T	£127,995	30/06/2016	50	538	£238	
	5 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	T	£129,995	30/06/2016	50	538	£242	
	7 LAUND GARDENS	GALGATE	LANCASTER	LA2 0LE	T	£126,995	30/06/2016	50	538	£236	
	Semi-detached / Terraced units		Number of sales (units)		9	£131,662	AVERAGES	51	548	£240	
	LAUNDS FIELD		AVERAGES FOR SCHEME			£193,821		83	891	£218	

STORY HOMES - THE SILKS, GALGATE, LA2 0BN (New build scheme)								m ²	ft ²	£/ft ²	
	17	ARMITAGE WAY	GALGATE	LANCASTER	LA2 0BN	D	£276,950	09/12/2016	113	1216	£228
	19	ARMITAGE WAY	GALGATE	LANCASTER	LA2 0BN	D	£309,950	09/12/2016	131	1410	£220
	21	ARMITAGE WAY	GALGATE	LANCASTER	LA2 0BN	D	£288,950	09/12/2016	124	1335	£216
	4	ARMITAGE WAY	GALGATE	LANCASTER	LA2 0BN	D	£314,950	02/12/2016	132	1421	£222
	3	ARMITAGE WAY	GALGATE	LANCASTER	LA2 0BN	D	£285,950	21/10/2016	122	1313	£218
	12	ARMITAGE WAY	GALGATE	LANCASTER	LA2 0BN	D	£288,950	10/08/2016	124	1335	£216
	8	ARMITAGE WAY	GALGATE	LANCASTER	LA2 0BN	D	£274,950	08/07/2016	113	1216	£226
	10	ARMITAGE WAY	GALGATE	LANCASTER	LA2 0BN	D	£309,950	01/07/2016	131	1410	£220
	Detached units		Number of sales (units)		8	£293,825	AVERAGES	124	1332	£221	
	16	ARMITAGE WAY	GALGATE	LANCASTER	LA2 0BN	S	£209,950	30/09/2016	87	936	£224
	Semi-detached units		Number of sales (units)		1	£209,950	AVERAGES	87	936	£224	
	THE SILKS		AVERAGES FOR SCHEME			£284,506		136	1288	£221	

SUMMARY - HMLR New Build Data - Lancaster District (LA2) - 01-01-2016 to 31-06-2017 (including 2.5 / 3 storey units)						m ²	ft ²	£/ft ²
Detached units	Number of sales (units)	25	£262,100	AVERAGES		117	1256	£209
Semi-detached / Terraced dwellings	Number of sales (units)	19	£180,626	AVERAGES		82	878	£206
Flatted units	Number of sales (units)	2	£106,500	AVERAGES		49	527	£202
ALL UNITS	Number of sales (units)	46	£221,683	AVERAGES		99	1068	£208

SUMMARY - HMLR New Build Data - Lancaster District (LA2) - 01-01-2016 to 31-06-2017 (excluding 2.5 / 3 storey units)						m ²	ft ²	£/ft ²
Detached units	Number of sales (units)	22	£255,615	AVERAGES		111	1191	£215
Semi-detached / Terraced dwellings	Number of sales (units)	10	£139,491	AVERAGES		65	587	£238
Flatted units	Number of sales (units)	2	£106,500	AVERAGES		49	527	£202
ALL UNITS	Number of sales (units)	34	£212,689	AVERAGES		91	974	£218

Appendix 2(iii)

New build sales data analysis: Heysham (LA3)

(01/2014 to 06/2017)

MILLER HOMES - MILLERS GREEN, MOSSGATE PARK, HEYSHAM, LA3 2LY (New build scheme)								m ²	ft ²	£/ft ²		
	46	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£200,950	24/03/2016	101	1087	£185	
	11	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£179,995	18/12/2015	90	969	£186	
	9	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£192,950	18/12/2015	96	1033	£187	
	58	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£171,950	04/12/2015	89	958	£179	
	52	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£179,995	20/11/2015	90	969	£186	
	60	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£170,950	20/11/2015	89	958	£178	
	50	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£209,995	06/11/2015	101	1087	£193	
	48	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£169,950	22/10/2015	89	958	£177	
	72	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£179,995	24/07/2015	90	969	£186	
	1	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£192,950	25/06/2015	96	1033	£187	
	3	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£169,950	19/06/2015	89	958	£177	
	76	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£180,950	19/06/2015	89	958	£189	
	70	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	D	£192,950	11/06/2015	96	1033	£187	
	5	EAGLE WALK	HEYSHAM	MORECAMBE	LA3 2LQ	D	£174,500	22/05/2015	86	926	£189	
	6	EAGLE WALK	HEYSHAM	MORECAMBE	LA3 2LQ	D	£209,950	22/05/2015	101	1087	£193	
	7	EAGLE WALK	HEYSHAM	MORECAMBE	LA3 2LQ	D	£169,950	22/05/2015	89	958	£177	
	8	EAGLE WALK	HEYSHAM	MORECAMBE	LA3 2LQ	D	£169,950	22/05/2015	89	958	£177	
	9	EAGLE WALK	HEYSHAM	MORECAMBE	LA3 2LQ	D	£185,000	24/04/2015	90	969	£191	
	44	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£180,950	27/03/2015	79	850	£213	
	30	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£172,500	20/02/2015	83	893	£193	
	19	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£169,950	23/12/2014	82	883	£193	
	23	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£178,950	10/12/2014	83	893	£200	
	33	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£204,950	06/11/2014	101	1087	£189	
	43	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£205,950	23/10/2014	101	1087	£189	
	41	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£183,950	25/09/2014	83	893	£206	
	34	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£178,950	30/06/2014	83	893	£200	
	35	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£209,995	27/06/2014	109	1173	£179	
	36	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£239,995	27/06/2014	122	1313	£183	
	31	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£204,950	27/06/2014	101	1087	£189	
	35	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£204,950	27/06/2014	101	1087	£189	
	45	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£239,950	27/06/2014	141	1518	£158	
	34	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£214,995	12/06/2014	117	1259	£171	
	32	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£205,950	23/05/2014	101	1087	£189	
	41	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£243,995	20/05/2014	122	1313	£186	
	21	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£178,950	16/05/2014	79	850	£210	
	42	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£198,995	25/04/2014	93	1001	£199	
	43	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£214,995	25/04/2014	117	1259	£171	
	1	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£209,995	07/04/2014	93	1001	£210	
	30	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£179,995	21/03/2014	84	904	£199	
	17	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£178,950	07/03/2014	79	850	£210	
	29	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£204,995	24/02/2014	109	1173	£175	
	18	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£185,950	21/02/2014	87	936	£199	
	20	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	D	£174,450	21/02/2014	82	883	£198	
	31	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£181,995	31/01/2014	86	926	£197	
	33	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£229,995	30/01/2014	117	1259	£183	
	40	KINGFISHER DRIVE	HEYSHAM	MORECAMBE	LA3 2FT	D	£181,995	30/01/2014	86	926	£197	
	Detached units		Number of sales (units)		46	£192,719	AVERAGES		95	1025	£188	
	66	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	T	£137,025	20/11/2015	76	818	£167	
	68	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	T	£144,950	12/11/2015	76	818	£177	
	38	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	T	£139,950	25/09/2015	76	818	£171	
	5	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	S	£174,950	25/09/2015	89	958	£183	
	7	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	S	£175,950	20/08/2015	86	926	£190	
	40	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	T	£145,950	27/03/2015	76	818	£178	
	36	EAGLE CLOSE	HEYSHAM	MORECAMBE	LA3 2LY	T	£145,950	26/03/2015	76	818	£178	
	38	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	T	£173,950	23/01/2015	109	1173	£148 3 storey	
	37	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	T	£173,950	21/11/2014	109	1173	£148 3 storey	
	40	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	T	£169,950	24/10/2014	110	1184	£144 2.5 storey	
	46	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	S	£179,950	24/10/2014	110	1184	£152 2.5 storey	
	4	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	T	£167,450	26/09/2014	109	1173	£143 2.5 storey	
	36	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	T	£168,950	22/08/2014	110	1184	£143 2.5 storey	
	2	GREENFINCH WAY	HEYSHAM	MORECAMBE	LA3 2GR	T	£169,950	22/08/2014	87	936	£181	
	3	BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	T	£168,450	28/03/2014	109	1173	£144 3 storey	
	20	CHAFFINCH CLOSE	HEYSHAM	MORECAMBE	LA3 2GT	T	£156,950	31/01/2014	106	1141	£138 3 storey	
	Semi-detached / Terraced units		Number of sales (units)		16	£162,142	AVERAGES		95	1019	£159	

	6 CHAFFINCH CLOSE	HEYSHAM	MORECAMBE	LA3 2GT	F	£65,000	28/03/2014	35	377	£173	
	12 CHAFFINCH CLOSE	HEYSHAM	MORECAMBE	LA3 2GT	F	£65,000	24/02/2014	38	409	£159	
	26 BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	F	£98,950	21/02/2014	59	635	£156	
	29 BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	F	£98,950	21/02/2014	59	635	£156	
	24 BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	F	£97,950	20/02/2014	59	635	£154	
	25 BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	F	£98,950	14/02/2014	59	635	£156	
	27 BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	F	£96,950	14/02/2014	59	635	£153	
	28 BRAMBLING DRIVE	HEYSHAM	MORECAMBE	LA3 2LH	F	£96,950	14/02/2014	59	635	£153	
	Flatted units	Number of sales (units)	8	£89,838	AVERAGES	53	575	£156			
	MILLERS GREEN	AVERAGES FOR SCHEME		£173,972		90	972	£179			
SUMMARY - HMLR New Build Data - Lancaster (LA3) - 01-01-2014 to 31-06-2017 (including 2.5 / 3 storey units)											
	Detached detached	Number of sales (units)	46	£192,719	AVERAGES	95	1025	£188			
	Semi-detached / Terraced dwellings	Number of sales (units)	16	£162,142	AVERAGES	95	1019	£159			
	Flatted units	Number of sales (units)	8	£89,838	AVERAGES	53	575	£156			
	ALL UNITS	Number of sales (units)	70	£173,972	AVERAGES	90	972	£179			
SUMMARY - HMLR New Build Data - Lancaster (LA3) - 01-01-2014 to 31-06-2017 (excluding 2.5 / 3 storey units)											
	Detached units	Number of sales (units)	46	£192,719	AVERAGES	95	1025	£188			
	Semi-detached / Terraced dwellings	Number of sales (units)	8	£154,334	AVERAGES	80	864	£179			
	Flatted units	Number of sales (units)	8	£89,838	AVERAGES	53	575	£156			
	ALL UNITS	Number of sales (units)	62	£174,491	AVERAGES	88	946	£184			
SUMMARY - HMLR New Build Data - Lancaster District (LA3) - 01-01-2014 to 31-06-2017 (detached units only)											
	Detached units - sold 01-01-2014 to 31-12-2014	Number of sales (units)	26	£200,336	AVERAGES	98	1059	£189			
	Detached units - sold 01-01-2015 to 31-06-2017	Number of sales (units)	20	£182,817	AVERAGES	91	981	£186			

Appendix 2(iv)

New build sales data analysis: Morecambe (LA4) (01/2014 to 06/2017)

STANTON BESPOKE HOMES - THE ELMS, BARE, LA4 6DD (New Build Scheme, exclusively for the over 55's)								m ²	ft ²	£/ft ²	
	FLAT 28	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£173,000	01/12/2014	80	861	£201
	FLAT 6	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£164,000	28/11/2014	73	786	£209
	FLAT 22	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£180,000	06/11/2014	73	786	£229
	FLAT 42	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£200,000	27/08/2014	80	861	£232
	FLAT 24	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£205,000	07/08/2014	86	926	£221
	FLAT 12	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£200,000	27/06/2014	80	861	£232
	FLAT 14	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£187,500	25/06/2014	80	861	£218
	FLAT 11	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£205,000	12/06/2014	86	926	£221
	FLAT 43	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£187,500	06/06/2014	80	861	£218
	FLAT 8	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£210,000	30/05/2014	86	926	£227
	FLAT 46	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£320,000	29/05/2014	136	1464	£219
	FLAT 25	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£152,500	21/05/2014	63	678	£225
	FLAT 15	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£220,000	16/05/2014	92	990	£222
	FLAT 30	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£187,500	16/05/2014	80	861	£218
	FLAT 29	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£187,500	15/05/2014	80	861	£218
	FLAT 1	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£275,000	09/05/2014	118	1270	£217
	FLAT 31	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£215,000	09/05/2014	92	990	£217
	FLAT 34	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£215,000	09/05/2014	90	969	£222
	FLAT 26	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£202,500	07/05/2014	87	936	£216
	FLAT 38	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£200,000	07/05/2014	86	926	£216
	FLAT 41	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£200,000	07/05/2014	86	926	£216
	FLAT 33	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£320,000	02/05/2014	136	1464	£219
	FLAT 44	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£187,500	02/05/2014	80	861	£218
	FLAT 45	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£215,000	02/05/2014	90	969	£222
	FLAT 10	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£215,000	30/04/2014	87	936	£230
	FLAT 27	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£200,000	30/04/2014	86	926	£216
	FLAT 4	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£235,000	30/04/2014	94	1012	£232
	FLAT 40	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£340,000	30/04/2014	153	1647	£206
	FLAT 16	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£270,000	25/04/2014	118	1270	£213
	FLAT 17	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£320,000	17/04/2014	136	1464	£219
	FLAT 18	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£215,000	17/04/2014	92	990	£217
	FLAT 23	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£190,000	17/04/2014	80	861	£221
	FLAT 3	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£215,000	17/04/2014	85	915	£235
	FLAT 32	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£320,000	16/04/2014	136	1464	£219
	FLAT 2	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£215,000	11/04/2014	92	990	£217
	FLAT 7	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£185,000	11/04/2014	80	861	£215
	FLAT 9	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£144,000	11/04/2014	63	678	£212
	FLAT 5	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£200,000	27/01/2014	94	1012	£198
	FLAT 21	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£200,000	24/01/2014	94	1012	£198
	FLAT 19	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£200,000	20/01/2014	85	915	£219
	FLAT 20	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£200,000	20/01/2014	94	1012	£198
	FLAT 36	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£191,500	20/01/2014	73	786	£244
	FLAT 35	ELMS HALL	ELMS ROAD	BARE	LA4 6DD	F	£200,000	17/01/2014	85	915	£219
	Flatted units		Number of sales (units)		43	£215,465	AVERAGES	92	988	£218	
	THE ELMS		AVERAGES FOR SCHEME			£215,465		92	988	£218	
FELLSIDE HOMES - GEORGE MEWS, TORRISHOLME, LA4 6WD (New Build Scheme; 7 x 3 Bed units)											
	3	GEORGE MEWS	MORECAMBE	LANCASTER	LA4 6WD	T	£150,000	03/03/2017	77	829	£181
	6	GEORGE MEWS	MORECAMBE	LANCASTER	LA4 6WD	T	£150,000	03/02/2017	79	850	£176
	2	GEORGE MEWS	MORECAMBE	LANCASTER	LA4 6WD	T	£151,952	20/12/2016	79	850	£179
	5	GEORGE MEWS	MORECAMBE	LANCASTER	LA4 6WD	T	£159,950	02/12/2016	79	850	£188
	1	GEORGE MEWS	MORECAMBE	LANCASTER	LA4 6WD	T	£165,000	19/08/2016	79	850	£194
	7	GEORGE MEWS	MORECAMBE	LANCASTER	LA4 6WD	T	£159,000	05/08/2016	77	829	£192
	4	GEORGE MEWS	MORECAMBE	LANCASTER	LA4 6WD	T	£158,000	01/08/2016	77	829	£191
	Terraced units		Number of sales (units)		7	£156,272	AVERAGES	78	841	£186	
	GEORGE MEWS		AVERAGES FOR SCHEME			£156,272		78	841	£186	
SUMMARY - HMLR New Build Data - Lancaster District (LA4) - 01-01-2014 to 31-06-2017								m ²	ft ²	£/ft ²	
	Detached dwellings		Number of sales (units)		0	N/A	AVERAGES	N/A	N/A	N/A	
	Semi-detached dwellings		Number of sales (units)		0	N/A	AVERAGES	N/A	N/A	N/A	
	Terraced dwellings		Number of sales (units)		7	£156,272	AVERAGES	78	841	£186	
	Flatted units		Number of sales (units)		0	N/A	AVERAGES	N/A	N/A	N/A	
	ALL UNITS		Number of sales (units)		7	£156,272	AVERAGES	78	841	£186	
Note 1 - Excluding The Elms, as not considered representative of mainstream developments											

Note 1 - Excluding The Elms, as not considered representative of mainstream developments

Appendix 2(v)

New build sales data analysis: Carnforth / Bolton-le-Sands (LA5)

(01/2014 to 06/2017)

OAKMERE HOMES - THE ORCHARDS, BOLTON-LE-SANDS, LA5 8BN (New build scheme)						m ²	ft ²	£/ft ²			
	50 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£335,000	04/08/2017	137	1475	£227		
	54 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£347,000	26/06/2017	122	1313	£264		
	48 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£284,000	23/06/2017	97	1044	£272		
	70 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£285,000	09/06/2017	97	1044	£273		
	66 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£335,000	26/05/2017	122	1313	£255		
	72 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£285,000	28/04/2017	97	1044	£273		
	35 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£274,000	31/03/2017	97	1044	£262		
	64 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£299,000	09/03/2017	105	1130	£265		
	60 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£370,000	02/03/2017	128	1378	£269		
	33 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£320,000	24/02/2017	122	1313	£244		
	23 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£339,950	25/01/2017	125	1346	£253		
	52 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£349,000	18/01/2017	126	1356	£257		
	58 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£375,000	22/12/2016	128	1378	£272		
	56 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£375,000	16/12/2016	128	1378	£272		
	31 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£329,950	11/11/2016	125	1346	£245		
	25 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£329,950	04/11/2016	125	1346	£245		
	11 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£345,000	04/11/2016	144	1550	£223		
	27 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£332,950	25/08/2016	122	1313	£254		
	19 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£324,950	24/06/2016	117	1259	£258		
	17 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£324,950	31/03/2016	117	1259	£258		
	21 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£284,950	31/03/2016	100	1076	£265		
	40 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£339,950	18/03/2016	130	1399	£243		
	38 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	D	£339,950	04/03/2016	130	1399	£243		
	Detached units		Number of sales (detached units)		23	£327,198 AVERAGES	119	1283	£255		
	10 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	T	£165,000	15/07/2016	67	721	£229		
	8 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	S	£209,950	24/03/2016	80	861	£244		
	6 SWALLOW CLOSE	BOLTON LE SANDS CARNFORTH	LA5 8BN	S	£209,950	29/01/2016	80	861	£244		
	Semi-detached / Terraced units		Number of sales (detached units)		3	£194,967 AVERAGES	76	814	£239		
	THE ORCHARDS					AVERAGES FOR SCHEME		£311,940	114	1229	£254

DAFFODIL HOMES - OXFORD COURT, LANCASTER ROAD, CARNFORTH LA5 9LE (New build scheme; 2 bedroomed flats)						m ²	ft ²	£/ft ²			
	12 OXFORD COURT	LANCASTER ROAD CARNFORTH	LA5 9LE	F	£112,000	10/03/2017	66	710	£158		
	13 OXFORD COURT	LANCASTER ROAD CARNFORTH	LA5 9LE	F	£100,000	18/03/2016	66	710	£141		
	23 OXFORD COURT	LANCASTER ROAD CARNFORTH	LA5 9LE	F	£108,000	19/02/2016	66	710	£152		
	Flatted units		Number of sales (units)		3	£106,667 AVERAGES	66	710	£150		
	OXFORD COURT					AVERAGES FOR SCHEME		£106,667	66	710	£150

SUMMARY - HMLR New Build Data - Lancaster District (LA5) - 01-01-2016 to 31-06-2017						m ²	ft ²	£/ft ²	
	Detached detached		Number of sales (units)		23	£327,198 AVERAGES	119	1283	£255
	Semi-detached / Terraced dwellings		Number of sales (units)		3	£194,967 AVERAGES	76	814	£239
	Flatted units		Number of sales (units)		3	£106,667 AVERAGES	66	710	£150
	ALL UNITS		Number of sales (units)		29	£290,705 AVERAGES	109	1,175	£247

Appendix 3

Details of stakeholder consultation

The following stakeholders were consulted in respect of our draft schedule of assumptions (see *Appendix 4*). Two viability stakeholder events were also held at Lancaster Town Hall in November 2017:

Viability Stakeholder Event 15 November 2017, 11am Lancaster Town Hall			
Name		Organisation	Attended
Ishtiaq	Ali	Calico	No
Wendy	Malone	Calico	Yes
Julie	Parker	Great Places	No
Paul	Taylor	Great Places	Yes
Ian	Kershaw	Guinness Housing	Yes
Clare	Hemming	Housing and Care 21	No
Duncan	Tilbe	Impact Housing	No
John	Lannaghan	Impact Housing	No
James	Bromfield	JJ Housing	No
Julie	Parker	JJ Housing	No
Andy	Whittaker	Lancaster City Council	Yes
Byrony	Bolton	Lancaster City Council	No
Chris	Hanna	Lancaster City Council	No
Henry	Cumbers	Lancaster City Council	Yes
Kathy	Beaton	Lancaster City Council	Yes
Maurice	Brophy	Lancaster City Council	Yes
Debbie	Steele	Places for People	No
Dai	Howells	Progress Group	No

Viability Stakeholder Event
15 November 2017, 2pm Lancaster Town Hall

Name		Organisation	Attended
Colin	Hetherington	Applethwaite Homes	No
Richard	Thomas	Bloc Housing	No
Mike	Fisher	Fisher Wrathall	Yes
Paul	Taylor	Great Places	Yes
Matthew	Symons	Hollins Strategic Land (HSL) - Planning Manager	Yes
Ann	Wood	Lancaster City Council - Lancaster Property Services	Yes
Julia	Greenwood	Lancaster City Council - Lancaster Property Services	No
Kate	Smith	Lancaster City Council - Lancaster Regeneration	Yes
Julian	Inman	Lancaster City Council - Lancaster Regeneration	Yes
Charles	Ainger	Lancaster Cohousing	Yes
Robert	Dibden	Lichfields on behalf of client Commercial Estates Projects	Yes
Abigail	Kos	Persimmon Homes	Yes
Martyn	Nicholson	Russell Armer	Yes
Richard	Wood	Russell Armer	Yes
David	Barnes	Star planning	Yes
Dan	Chant	Story Homes	No
Daniel	Barton	Story Homes	Yes
Stephen	Smith	Turley on behalf of Peel	Yes
Warren	Cadman	VMC Developments / Wrenman Homes	Yes

Appendix 4

Schedule of assumptions

Lancaster CC	Carnforth Sites (Indicative site types - Residential)																				Lambert Smith Hampton
			Large Greenfield Residential - all units at nationally described space standards	Large Greenfield Residential - 20% of units at M4(2) and all units at nationally described space			Large Brownfield Residential - all units at nationally described space standards	Large Brownfield Residential - 20% of units at M4(2) and all units at nationally described space					Small Greenfield Residential - all units at nationally described space standards	Small Greenfield Residential - 20% of units at M4(2) and all units at nationally described space			Small Brownfield Residential - all units at nationally described space standards	Small Brownfield Residential - 20% of units at M4(2) and all units at nationally described space			
	Large Greenfield Residential	Large Greenfield Residential - 20% of units at M4(2)	CFH1b	CFH1c	CFH2	CFH2a	CFH2b	CFH2b	CFH3	CFH4	CFH5	CFH5a	CFH5b	CFH5c	CFH6	CFH6a	CFH6b	CFH6c	CFH7	CFH8	LSH comment
Local Plan Viability Assessment - DRAFT APPRAISAL ASSUMPTIONS	CFH1	CFH1a	CFH1b	CFH1c	CFH2	CFH2a	CFH2b	CFH2b	CFH3	CFH4	CFH5	CFH5a	CFH5b	CFH5c	CFH6	CFH6a	CFH6b	CFH6c	CFH7	CFH8	
Headline Assumptions																					
Number of units (residential)	150	150	150	150	150	150	150	150	50	50	15	15	15	15	15	15	15	15	6	6	
Net site area (hectares)	3.95	3.95	4.17	4.17	3.95	3.95	4.17	4.17	1.32	1.32	0.42	0.42	0.44	0.44	0.42	0.42	0.44	0.44	0.18	0.18	
Net site area (acres)	9.75	9.75	10.30	10.30	9.75	9.75	10.30	10.30	3.25	3.25	1.03	1.03	1.09	1.09	1.03	1.03	1.09	1.09	0.44	0.44	
Density (residential units per net hectare)	38.00	38.00	36.00	36.00	38.00	38.00	36.00	36.00	38.00	38.00	36.00	36.00	34.00	34.00	36.00	36.00	34.00	34.00	34.00	34.00	
Density (residential units per net acre)	15.4	15.4	14.6	14.6	15.4	15.4	14.6	14.6	15.4	15.4	14.6	14.6	13.8	13.8	14.6	14.6	13.8	13.8	13.8	13.8	
Total Sqft of floorspace	135,736	135,736	143,355	143,355	135,736	135,736	143,355	143,355	45,461	44,657	14,366	14,366	15,376	15,376	14,366	14,366	15,376	15,376	5,971	5,971	
Sqft of floorspace per net site acre	13,916	13,916	13,923	13,923	13,916	13,916	13,923	13,923	13,982	13,735	13,953	13,953	14,104	14,104	13,953	13,953	14,104	14,104	13,693	13,693	
Gross to net ratio	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	
Gross site area (hectares)	6.58	6.58	6.94	6.94	6.58	6.58	6.94	6.94	2.19	2.19	0.49	0.49	0.52	0.52	0.49	0.49	0.52	0.52	0.21	0.21	
Gross site area (acres)	16.26	16.26	17.16	17.16	16.26	16.26	17.16	17.16	5.42	5.42	1.21	1.21	1.28	1.28	1.21	1.21	1.28	1.28	0.51	0.51	
Value Assumptions																					
2 Bed House	£152,000	£152,000	£156,500	£156,500	£152,000	£152,000	£156,500	£156,500	£152,000	£152,000	£152,000	£152,000	£156,500	£156,500	£152,000	£152,000	£156,500	£156,500	£152,000	£152,000	£201.9/ft2
3 Bed House	£186,000	£186,000	£209,000	£209,000	£186,000	£186,000	£209,000	£209,000	£186,000	£186,000	£186,000	£186,000	£209,000	£209,000	£186,000	£186,000	£209,000	£209,000	£186,000	£186,000	£203.3/ft2
4+ Bed House	£261,000	£261,000	£268,000	£268,000	£261,000	£261,000	£268,000	£268,000	£261,000	£261,000	£261,000	£261,000	£268,000	£268,000	£261,000	£261,000	£268,000	£268,000	£261,000	£261,000	£211/ft2
2 Bed Bungalow	£168,000	£168,000	£168,000	£168,000	£168,000	£168,000	£168,000	£168,000	£168,000	£168,000	-	-	-	-	-	-	-	-	-	-	£240/ft2
1 Bed Apartment	£110,000	£110,000	£113,363	£113,363	£110,000	£110,000	£113,363	£113,363	£110,000	£110,000	-	-	-	-	-	-	-	-	-	-	£204.5/ft2
2 Bed Apartment	£131,500	£131,500	£138,000	£138,000	£131,500	£131,500	£138,000	£138,000	£131,500	£131,500	-	-	-	-	-	-	-	-	-	-	£203.5/ft2
Unit Sizes																					
2 Bed House - GIA (sqft)	753	753	775	775	753	753	775	775	753	753	753	753	775	775	753	753	775	775	753	753	70m2 (standard)
% of total units in scenario	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	24.0%	24.0%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	16.7%	16.7%	
3 Bed House - GIA (sqft)	915	915	1,028	1,028	915	915	1,028	1,028	915	915	915	915	1,028	1,028	915	915	1,028	1,028	915	915	85m2 (standard)
% of total units in scenario	30.6%	30.6%	30.6%	30.6%	30.6%	30.6%	30.6%	30.6%	30.0%	30.0%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	50.0%	50.0%	
4+ Bed House - GIA (sqft)	1,237	1,237	1,270	1,270	1,237	1,237	1,270	1,270	1,237	1,237	1,237	1,237	1,270	1,270	1,237	1,237	1,270	1,270	1,237	1,237	114.9m2 (standard)
% of total units in scenario	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	24.0%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	33.3%	33.3%	
2 Bed Bungalow - GIA (sqft)	700	700	700	700	700	700	700	700	700	700	-	-	-	-	-	-	-	-	-	-	65m2 (standard)
% of total units in scenario	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	10.0%	10.0%	-	-	-	-	-	-	-	-	-	-	
1 Bed Apartment - Net sales (sqft)	538	538	554	554	538	538	554	554	538	538	-	-	-	-	-	-	-	-	-	-	50m2 (net-standard)
1 Bed Apartment - GIA (sqft)	633	633	652	652	633	633	652	652	633	633	-	-	-	-	-	-	-	-	-	-	51.5m2 (net-NPSS)
Net to Gross	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	-	-	-	-	-	-	-	-	-	-	
% of total units in scenario	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	6.0%	6.0%	-	-	-	-	-	-	-	-	-	-	
2 Bed Apartment - Net sales (sqft)	646	646	678	678	646	646	678	678	646	646	-	-	-	-	-	-	-	-	-	-	60m2 (net-standard)
2 Bed Apartment - GIA (sqft)	760	760	798	798	760	760	798	798	760	760	-	-	-	-	-	-	-	-	-	-	63m2 (net-NPSS)
Net to Gross	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	-	-	-	-	-	-	-	-	-	-	
% of total units in scenario	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	6.0%	6.0%	-	-	-	-	-	-	-	-	-	-	
Land Value																					
Land Price (per net acre)	£275,000	£275,000	£275,000	£275,000	£225,000	£225,000	£225,000	£225,000	£275,000	£225,000	£275,000	£275,000	£275,000	£275,000	£225,000	£225,000	£225,000	£225,000	£275,000	£225,000	
Stamp Duty Land Tax (SDLT)	Applied at the prevailing rate																				
Acquisition Agent fees	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	% of land price
Acquisition Legal fees	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	% of land price
Cost Assumptions																					
Initial Payments -																					
Statutory Planning Fees	43,559	43,559	43,559	43,559	43,559	43,559	43,559	43,559	£23,100	£23,100	£6,930	£6,930	£6,930	£6,930	£6,930	£6,930	£6,930	£6,930	£2,772	£2,772	
Construction Costs -																					
Demolition, Site Clearance and remediation (per gross acre)	-	-	-	-	£100,000	£100,000	£100,000	£100,000	-	£105,000	-	-	-	-	£110,000	£110,000	£110,000	£110,000	-	£115,000	Cost per acre
Houses Build Costs	£75.00	£75.00	£75.00	£75.00	£75.00	£75.00	£75.00	£75.00	£78.00	£78.00	£87.00	£87.00	£87.00	£87.00	£87.00	£87.00	£87.00	£87.00	£92.00	£92.00	£ per ft2 - Base
Bungalow Build Costs	£113.17	£113.17	£113.17	£113.17	£113.17	£113.17	£113.17	£113.17	£113.17	£113.17	-	-	-	-	-	-	-	-	-	-	build cost of
Apartment Build Costs	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	-	-	-	-	-	-	-	-	-	-	footprint of units
External works inc. utilities reinforcement (allowance)	20%	20%	20%	20%	20%	20%	20%	20%	15%	15%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	% of base build
Contingency	3%	3%	3%	3%	5%	5%	5%	5%	3%	5%	3%	3%	3%	3%	5%	5%	5%	5%	3%	5%	% of total construction
M4(2) Allowance per unit for 20% of units		£1,000		£1,000		£1,000		£1,000		£1,000		£1,000		£1,000		£1,000		£1,000			
Professional Fees (Note 1) -	8%	8%	8%	8%	9%	9%	9%	9%	8%	9%	9%	9%	9%	9%	10%	10%	10%	10%	9%	10%	% of total construction
Disposal Costs -																					
Sale Agents Costs	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	% of Gross
Sale Legal Costs	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	Development Value
Marketing and Promotion	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
Finance Costs -																					
Finance Fees	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	% interest per
Interest allowance (land & build)	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6.5%	6.5%	6.5%	6.5%	6.5						

Lancaster CC	Morecambe (other than 'West End') and Heysham Sites (Indicative site types - Residential)																				Lambert Smith Hampton
			Large Greenfield Residential - all units at nationally described space standards	Large Greenfield Residential - 20 of units at M4(2) and all units at nationally described space			Large Brownfield Residential - all units at nationally described space standards	Large Brownfield Residential - 20%of units at M4(2) and all units at nationally described space					Small Greenfield Residential - all units at nationally described space standards	Small Greenfield Residential - 20% of units at M4(2) and all units at nationally described space			Small Brownfield Residential - all units at nationally described space standards	Small Brownfield Residential - 20% of units at M4(2) and all units at nationally described space	Extra Small Greenfield Residential	Extra Small Brownfield Residential	LSH comment
	Large Greenfield Residential	Large Greenfield Residential - 20% of units at M4(2)			Large Brownfield Residential	Large Brownfield Residential - 20% of units at M4(2)			Medium Greenfield Residential	Medium Brownfield Residential	Small Greenfield Residential	Small Greenfield Residential - 20% of units at M4(2)			Small Brownfield Residential	Small Brownfield Residential - 20% of units at M4(2)					
Local Plan Viability Assessment - DRAFT APPRAISAL ASSUMPTIONS Scenario Reference	MCM1	MCM1a	MCM1b	MCM1c	MCM2	MCM2a	MCM2b	MCM2c	MCM3	MCM4	MCM5	MCM5a	MCM5b	MCM5c	MCM6	MCM6a	MCM6b	MCM6c	MCM7	MCM8	
Headline Assumptions																					
Number of units (residential)	150	150	150	150	150	150	150	150	50	50	15	15	15	15	15	15	15	15	6	6	
Net site area (hectares)	3.95	3.95	4.17	4.17	3.95	3.95	4.17	4.17	1.32	1.32	0.42	0.42	0.44	0.44	0.42	0.42	0.44	0.44	0.18	0.18	
Net site area (acres)	9.75	9.75	10.30	10.30	9.75	9.75	10.30	10.30	3.25	3.25	1.03	1.03	1.09	1.09	1.03	1.03	1.09	1.09	0.44	0.44	
Density (residential units per net hectare)	38.00	38.00	36.00	36.00	38.00	38.00	36.00	36.00	38.00	38.00	36.00	36.00	34.00	34.00	36.00	36.00	34.00	34.00	34.00	34.00	
Density (residential units per net acre)	15.4	15.4	14.6	14.6	15.4	15.4	14.6	14.6	15.4	15.4	14.6	14.6	13.8	13.8	14.6	14.6	13.8	13.8	13.8	13.8	
Total sqft of floorspace	135,736	135,736	143,355	143,355	135,736	135,736	143,355	143,355	44,657	44,657	14,366	14,366	15,376	15,376	14,366	14,366	15,376	15,376	5,971	5,971	
Sqft of floorspace per net site acre	13,916	13,916	13,923	13,923	13,916	13,916	13,923	13,923	13,735	13,735	13,953	13,953	14,104	14,104	13,953	13,953	14,104	14,104	13,693	13,693	
Gross to net ratio	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	
Gross site area (hectares)	6.58	6.58	6.94	6.94	6.58	6.58	6.94	6.94	2.19	2.19	0.49	0.49	0.52	0.52	0.49	0.49	0.52	0.52	0.21	0.21	
Gross site area (acres)	16.26	16.26	17.16	17.16	16.26	16.26	17.16	17.16	5.42	5.42	1.21	1.21	1.28	1.28	1.21	1.21	1.28	1.28	0.51	0.51	
Value Assumptions																					
2 Bed House	£137,000	£137,000	£141,000	£141,000	£137,000	£137,000	£141,000	£141,000	£137,000	£137,000	£137,000	£137,000	£141,000	£141,000	£137,000	£137,000	£141,000	£141,000	£137,000	£137,000	£182/ft2
3 Bed House	£169,000	£169,000	£189,863	£189,863	£169,000	£169,000	£189,863	£189,863	£169,000	£169,000	£169,000	£169,000	£189,863	£189,863	£169,000	£169,000	£189,863	£189,863	£169,000	£169,000	£184.7/ft2
4+ Bed House	£235,000	£235,000	£241,327	£241,327	£235,000	£235,000	£241,327	£241,327	£235,000	£235,000	£235,000	£235,000	£241,327	£241,327	£235,000	£235,000	£241,327	£241,327	£235,000	£235,000	£190/ft2
2 Bed Bungalow	£154,000	£154,000	£154,000	£154,000	£154,000	£154,000	£154,000	£154,000	£154,000	£154,000	-	-	-	-	-	-	-	-	-	-	£220/ft2
1 Bed Apartment	£94,000	£94,000	£96,843	£96,843	£94,000	£94,000	£96,843	£96,843	£94,000	£94,000	-	-	-	-	-	-	-	-	-	-	£174.7/ft2
2 Bed Apartment	£132,000	£132,000	£138,500	£138,500	£132,000	£132,000	£138,500	£138,500	£132,000	£132,000	-	-	-	-	-	-	-	-	-	-	£173.7/ft2
Unit Sizes																					
2 Bed House - GIA (sqft)	753	753	775	775	753	753	775	775	753	753	753	753	775	775	753	753	775	775	753	753	70m2 (standard)
% of total units in scenario	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	24.0%	24.0%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	16.7%	16.7%	
3 Bed House - GIA (sqft)	915	915	1,028	1,028	915	915	1,028	1,028	915	915	915	915	1,028	1,028	915	915	1,028	1,028	915	915	85m2 (standard)
% of total units in scenario	30.6%	30.6%	30.6%	30.6%	30.6%	30.6%	30.6%	30.6%	30.0%	30.0%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	50.0%	50.0%	
4+ Bed House - GIA (sqft)	1,237	1,237	1,270	1,270	1,237	1,237	1,270	1,270	1,237	1,237	1,237	1,237	1,270	1,270	1,237	1,237	1,270	1,270	1,237	1,237	114.9m2 (standard)
% of total units in scenario	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	24.0%	24.0%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	33.3%	33.3%	
2 Bed Bungalow - GIA (sqft)	700	700	700	700	700	700	700	700	700	700	-	-	-	-	-	-	-	-	-	-	65m2 (standard)
% of total units in scenario	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	10.0%	10.0%	-	-	-	-	-	-	-	-	-	-	
1 Bed Apartment - Net sales (sqft)	538	538	554	554	538	538	554	554	538	538	-	-	-	-	-	-	-	-	-	-	50m2 (net-standard)
1 Bed Apartment - GIA (sqft)	633	633	652	652	633	633	652	652	633	633	-	-	-	-	-	-	-	-	-	-	51.5m2 (net-NPSS)
Net to Gross	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	-	-	-	-	-	-	-	-	-	-	
% of total units in scenario	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	6.0%	6.0%	-	-	-	-	-	-	-	-	-	-	
2 Bed Apartment - Net sales (sqft)	646	646	678	678	646	646	678	678	646	646	-	-	-	-	-	-	-	-	-	-	60m2 (net-standard)
2 Bed Apartment - GIA (sqft)	760	760	798	798	760	760	798	798	760	760	-	-	-	-	-	-	-	-	-	-	63m2 (net-NPSS)
Net to Gross	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	-	-	-	-	-	-	-	-	-	-	
% of total units in scenario	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	6.0%	6.0%	-	-	-	-	-	-	-	-	-	-	
Land Value																					
Land Price (per net acre)	£250,000	£250,000	£250,000	£250,000	£200,000	£200,000	£200,000	£200,000	£250,000	£200,000	£250,000	£250,000	£250,000	£250,000	£200,000	£200,000	£200,000	£200,000	£250,000	£200,000	
Stamp Duty Land Tax (SDLT)	Applied at the prevailing rate																				
Acquisition Agent fees	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	% of land price
Acquisition Legal fees	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	% of land price
Cost Assumptions																					
Initial Payments -																					
Statutory Planning Fees	£43,559	£43,559	£43,559	£43,559	£43,559	£43,559	£43,559	£43,559	£23,100	£23,100	£6,930	£6,930	£6,930	£6,930	£6,930	£6,930	£6,930	£6,930	£2,772	£2,772	
Construction Costs -																					
Demolition, Site Clearance and remediation (per gross acre)	-	-	-	-	£100,000	£100,000	£100,000	£100,000	-	£105,000	-	-	-	-	£110,000	£110,000	£110,000	£110,000	-	£115,000	Cost per acre
Houses Build Costs	£75.00	£75.00	£75.00	£75.00	£75.00	£75.00	£75.00	£75.00	£75.00	£78.00	£78.00	£87.00	£87.00	£87.00	£87.00	£87.00	£87.00	£87.00	£92.00	£92.00	£ per ft2 - Base
Bungalow Build Costs	£113.17	£113.17	£113.17	£113.17	£113.17	£113.17	£113.17	£113.17	£113.17	£113.17	-	-	-	-	-	-	-	-	-	-	- build cost of
Apartment Build Costs	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	-	-	-	-	-	-	-	-	-	-	- footprint of units
External works inc. utilities reinforcement (allowance)	20%	20%	20%	20%	20%	20%	20%	20%	15%	15%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10% of base build
Contingency	3%	3%	3%	3%	5%	5%	5%	5%	3%	5%	3%	3%	3%	3%	5%	5%	5%	5%	3%	5%	% of total construction
M4(2) Allowance per unit for 20% of units		£1,000		£1,000		£1,000		£1,000				£1,000		£1,000		£1,000		£1,000			
Professional Fees (Note 1) -	8%	8%	8%	8%	9%	9%	9%	9%	8%	9%	9%	9%	9%	9%	10%	10%	10%	10%	9%	10%	% of total construction
Disposal Costs -																					
Sale Agents Costs	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	% of Gross
Sale Legal Costs	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	Development Value
Marketing and Promotion	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
Finance Costs -																					
Finance Fees	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	% interest per
Interest allowance (land & build)	6%	6%	6%	6%	6%	6%	6%</														

Lancaster CC	Lancaster District Rural (East) Sites (Indicative site types - Residential)																Lambert Smith Hampton
			Medium Greenfield Residential - all units at nationally described space standards			Medium Brownfield Residential - all units at nationally described space standards			Small Greenfield Residential - all units at nationally described space standards			Small Brownfield Residential - all units at nationally described space standards			Single Unit Greenfield Residential (Forest of Bowland AONB area only)	LSH comment	
	Medium Greenfield Residential	Medium Greenfield Residential - 20% of units at M4(2)		Medium Brownfield Residential	Medium Brownfield Residential - 20% of units at M4(2)		Small Greenfield Residential	Small Greenfield Residential - 20% of units at M4(2)		Small Brownfield Residential	Small Brownfield Residential - 20% of units at M4(2)		Extra Small Greenfield Residential	Extra Small Brownfield Residential			
Scenario Reference	RE1	RE1a	RE1b	RE2	RE2a	RE2b	RE3	RE3a	RE3b	RE4	RE4a	RE4b	RE5	RE6	RE7		
Headline Assumptions																	
Number of units (residential)	50	50	50	50	50	50	15	15	15	15	15	15	6	6	2		
Net site area (hectares)	1.32	1.32	1.39	1.32	1.32	1.39	0.42	0.42	0.44	0.42	0.42	0.44	0.18	0.18	0.06		
Net site area (acres)	3.25	3.25	3.43	3.25	3.25	3.43	1.03	1.03	1.09	1.03	1.03	1.09	0.44	0.44	0.16		
Density (residential units per net hectare)	38.00	38.00	36.00	38.00	38.00	36.00	36.00	36.00	34.00	36.00	36.00	34.00	34.00	34.00	30.00		
Density (residential units per net acre)	15.4	15.4	14.6	15.4	15.4	14.6	14.6	14.6	13.8	14.6	14.6	13.8	13.8	13.8	12.5		
Total sqft of floorspace	43,887	43,887	46,357	43,887	43,887	43,461	14,366	14,366	15,376	14,366	14,366	15,376	5,971	5,971	1,506		
Sqft of floorspace per net site acre	13,498	13,498	13,507	13,498	13,498	12,663	13,953	13,953	14,104	13,953	13,953	14,104	13,693	13,693			
Gross to net ratio	0.75	0.75	0.75	0.75	0.75	0.75	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	1	
Gross site area (hectares)	1.75	1.75	1.85	1.75	1.75	1.85	0.49	0.49	0.52	0.49	0.49	0.52	0.21	0.21	0.06		
Gross site area (acres)	4.34	4.34	4.58	4.34	4.34	4.58	1.21	1.21	1.28	1.21	1.21	1.28	0.51	0.51	0.16		
Value Assumptions																	
2 Bed House	£187,500	£187,500	£192,500	£187,500	£187,500	£192,500	£187,500	£187,500	£192,500	£187,500	£187,500	£192,500	£187,500	£187,500	£187,500	£249/ft2	
3 Bed House	£225,000	£225,000	£252,000	£225,000	£225,000	£252,000	£225,000	£225,000	£252,000	£225,000	£225,000	£252,000	£225,000	£225,000	-	£245.9/ft2	
4+ Bed House	£300,000	£300,000	£307,500	£300,000	£300,000	£307,500	£300,000	£300,000	£307,500	£300,000	£300,000	£307,500	£300,000	£300,000	-	£242.5/ft2	
2 Bed Bungalow	£192,500	£192,500	£192,500	£192,500	£192,500	£192,500	-	-	-	-	-	-	-	-	-	£275/ft2	
1 Bed Apartment	£126,500	£126,500	£130,000	£126,500	£126,500	£130,000	-	-	-	-	-	-	-	-	-	£235.1/ft2	
2 Bed Apartment	£151,000	£151,000	£158,000	£151,000	£151,000	£158,000	-	-	-	-	-	-	-	-	-	£233.7/ft2	
Unit Sizes																	
2 Bed House - GIA (sqft)	753	753	775	753	753	775	753	753	775	753	753	775	753	753	753	70m2 (standard)	
% of total units in scenario	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	16.7%	16.7%	100.0%		
3 Bed House - GIA (sqft)	915	915	1,028	915	915	1,028	915	915	1,028	915	915	1,028	915	915	-	85m2 (standard)	
% of total units in scenario	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	50.0%	50.0%	-		
4+ Bed House - GIA (sqft)	1,237	1,237	1,270	1,237	1,237	1,270	1,237	1,237	1,270	1,237	1,237	1,270	1,237	1,237	-	114.9m2 (standard)	
% of total units in scenario	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	33.30%	33.30%	-		
2 Bed Bungalow - GIA (sqft)	700	700	700	700	700	700	-	-	-	-	-	-	-	-	-	65m2 (standard)	
% of total units in scenario	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	-	-	-	-	-	-	-	-	-		
1 Bed Apartment - Net sales (sqft)	538	538	554	538	538	554	-	-	-	-	-	-	-	-	-	50m2 (net-standard)	
1 Bed Apartment - GIA (sqft)	633	633	652	633	633	652	-	-	-	-	-	-	-	-	-	51.5m2 (net-NPSS)	
Net to Gross	85%	85%	85%	85%	85%	85%	-	-	-	-	-	-	-	-	-	-	
% of total units in scenario	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	-	-	-	-	-	-	-	-	-	-	
2 Bed Apartment - Net sales (sqft)	646	646	678	646	646	678	-	-	-	-	-	-	-	-	-	60m2 (net-standard)	
2 Bed Apartment - GIA (sqft)	760	760	798	760	760	798	-	-	-	-	-	-	-	-	-	63m2 (net-NPSS)	
Net to Gross	85%	85%	85%	85%	85%	85%	-	-	-	-	-	-	-	-	-	-	
% of total units in scenario	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	-	-	-	-	-	-	-	-	-	-	
Land Value																	
Land Price (per net acre)	£425,000	£425,000	£425,000	£375,000	£375,000	£375,000	£425,000	£375,000	£425,000	£375,000	£375,000	£375,000	£425,000	£375,000	£425,000		
Stamp Duty Land Tax (SDLT)	Applied at the prevailing rate																
Acquisition Agent fees	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	% of land price	
Acquisition Legal fees	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	% of land price	
Cost Assumptions																	
Initial Payments -																	
Statutory Planning Fees	£23,100	£23,100	£23,100	£23,100	£23,100	£23,100	£6,930	£6,930	£6,930	£6,930	£6,930	£6,930	£2,772	£2,772	£924		
Construction Costs -																	
Demolition, Site Clearance and remediation (per gross acre)	-	-	-	£100,000	£100,000	£100,000	-	-	-	£110,000	£110,000	£110,000	-	£115,000	£150.00	Cost per acre	
Houses Build Costs	£78.00	£78.00	£78.00	£78.00	£78.00	£78.00	£87.00	£87.00	£87.00	£87.00	£87.00	£87.00	£92.00	£92.00	£150.00	£ per ft2 - Base	
Bungalow Build Costs	£118.83	£118.83	£118.83	£118.83	£118.83	£118.83	-	-	-	-	-	-	-	-	-	build cost of	
Apartment Build Costs	£105.36	£105.36	£105.36	£105.36	£105.36	£105.36	-	-	-	-	-	-	-	-	-	footprint of units	
External works inc. utilities reinforcement (allowance)	15%	15%	15%	15%	15%	15%	10%	10%	10%	10%	10%	10%	10%	10%	10%	% of base build	
Contingency	3%	3%	3%	5%	5%	5%	3%	3%	3%	5%	5%	5%	3%	5%	3%	% of total construction	
M4(2) Allowance per unit for 20% of units		1000.00			1000.00			1000.00			1000.00						
Professional Fees (Note 1) -	8%	8%	8%	9%	9%	9%	9%	9%	9%	10%	10%	10%	9%	10%	9%	% of total construction	
Disposal Costs -																	
Sale Agents Costs	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	% of Gross	
Sale Legal Costs	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	15%	15%	15%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	Development Value	
Marketing and Promotion	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%		
Finance Costs -																	
Finance Fees	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	% interest per	
Interest allowance (land & build)	6%	6%	6%	6%	6%	6%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	annum on	
																cumulative balance	
Profit																	
Developers Profit	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	Blended rate	

Specific Notes

1 Includes planning application professional fees and reports

General Note

Build Costs

Build costs (Base build) relates to the cost of building each unit. The cost of external and infrastructure works outside of the footprint (including areas within the curtilage of each unit) is not included in this assumed figure.

External works inc. utilities reinforcement (allowance) - relates to all 'normal' build costs outside of the footprint of each unit

Contingency is a general allowance to cover the antedated likely range of budget variance, dependent upon the nature of each assumed specific development

Timescales - residential schemes

Lead in time (pre construction) - pre-construction enabling / mobilisation period following site purchase. Phased purchased assumed for larger sites

Construction period (months per unit)

Average months between construction start and first sale

Sales per month. Small and medium sized schemes

Sales per month. Large sized schemes - It is anticipated that large residential schemes will be operated as two sales outlets

3 months
6 months
6 months
1.5 sales
N/A

S106 contributions (per residential unit)

To be sensitivity tested for relevant scenarios across an appropriate range of figures (suggest £2,000, £5,000 and £7,500 per unit for residential and mixed use scenarios)

Affordable housing (as percentage of total units)

To be sensitivity tested for relevant scenarios across an appropriate range of percentages

Lancaster CC	Lancaster District Rural (West) Sites (Indicative site types - Residential)															Lambert Smith Hampton
			Medium Greenfield Residential - all units at nationally described space standards			Medium Brownfield Residential - all units at nationally described space standards			Small Greenfield Residential - all units at nationally described space standards			Small Brownfield Residential - all units at nationally described space standards			Single Unit Greenfield Residential (Forest of Bowland AONB area only)	LSH comment
	Medium Greenfield Residential	Medium Greenfield Residential - 20% of units at M4(2)		Medium Brownfield Residential	Medium Brownfield Residential - 20% of units at M4(2)		Small Greenfield Residential	Small Greenfield Residential - 20% of units at M4(2)		Small Brownfield Residential	Small Brownfield Residential - 20% of units at M4(2)		Extra Small Greenfield Residential	Extra Small Brownfield Residential		
Scenario Reference	RW1	RW1a	RW1b	RW2	RW2a	RW2b	RW3	RW3a	RW3b	RW4	RW4a	RW4b	RW5	RW6	RW7	
Headline Assumptions																
Number of units (residential)	50	50	50	50	50	50	15	15	15	15	15	15	6	6	2	
Net site area (hectares)	1.32	1.32	1.39	1.32	1.32	1.39	0.42	0.42	0.44	0.42	0.42	0.44	0.18	0.18	0.06	
Net site area (acres)	3.25	3.25	3.43	3.25	3.25	3.43	1.03	1.03	1.09	1.03	1.03	1.09	0.44	0.44	0.16	
Density (residential units per net hectare)	38.00	38.00	36.00	38.00	38.00	36.00	36.00	36.00	34.00	36.00	36.00	34.00	34.00	34.00	30.00	
Density (residential units per net acre)	15.4	15.4	14.6	15.4	15.4	14.6	14.6	14.6	13.8	14.6	14.6	13.8	13.8	13.8	12.5	
Total sqft of floorspace	43,887	43,887	46,357	43,887	43,887	43,461	14,366	14,366	15,376	14,366	14,366	15,376	5,971	5,971	1,506	
Sqft of floorspace per net site acre	13,498	13,498	13,507	13,498	13,498	12,663	13,953	13,953	14,104	13,953	13,953	14,104	13,693	13,693		
Gross to net ratio	0.75	0.75	0.75	0.75	0.75	0.75	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	1	
Gross site area (hectares)	1.75	1.75	1.85	1.75	1.75	1.85	0.49	0.49	0.52	0.49	0.49	0.52	0.21	0.21	0.06	
Gross site area (acres)	4.34	4.34	4.58	4.34	4.34	4.58	1.21	1.21	1.28	1.21	1.21	1.28	0.51	0.51	0.16	
Value Assumptions																
2 Bed House	£175,449	£175,449	£180,575	£175,449	£175,449	£180,575	£175,449	£175,449	£180,575	£175,449	£175,449	£180,575	£175,449	£175,449	£175,449	£233/ft2
3 Bed House	£211,365	£211,365	£237,457	£211,365	£211,365	£237,457	£211,365	£211,365	£237,457	£211,365	£211,365	£237,457	£211,365	£211,365	£211,365	£231/ft2
4+ Bed House	£283,273	£283,273	£290,862	£283,273	£283,273	£290,862	£283,273	£283,273	£290,862	£283,273	£283,273	£290,862	£283,273	£283,273	£283,273	£229/ft2
2 Bed Bungalow	£182,000	£182,000	£182,000	£182,000	£182,000	£182,000	-	-	-	-	-	-	-	-	-	£260/ft2
1 Bed Apartment	£120,512	£120,512	£124,172	£120,512	£120,512	£124,172	-	-	-	-	-	-	-	-	-	£224/ft2
2 Bed Apartment	£144,058	£144,058	£151,222	£144,058	£144,058	£151,222	-	-	-	-	-	-	-	-	-	£223/ft2
Unit Sizes																
2 Bed House - GIA (sqft)	753	753	775	753	753	775	753	753	775	753	753	775	753	753	753	70m2 (standard)
% of total units in scenario	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	16.7%	16.7%	100.0%	
3 Bed House - GIA (sqft)	915	915	1,028	915	915	1,028	915	915	1,028	915	915	1,028	915	915	915	85m2 (standard)
% of total units in scenario	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	50.0%	50.0%	-	
4+ Bed House - GIA (sqft)	1,237	1,237	1,270	1,237	1,237	1,270	1,237	1,237	1,270	1,237	1,237	1,270	1,237	1,237	1,237	114.9m2 (standard)
% of total units in scenario	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	33.30%	33.30%	-	
2 Bed Bungalow - GIA (sqft)	700	700	700	700	700	700	-	-	-	-	-	-	-	-	-	65m2 (standard)
% of total units in scenario	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	-	-	-	-	-	-	-	-	-	
1 Bed Apartment - Net sales (sqft)	538	538	554	538	538	554	-	-	-	-	-	-	-	-	-	50m2 (net-standard)
1 Bed Apartment - GIA (sqft)	633	633	652	633	633	652	-	-	-	-	-	-	-	-	-	51.5m2 (net-NPSS)
Net to Gross	85%	85%	85%	85%	85%	85%	-	-	-	-	-	-	-	-	-	-
% of total units in scenario	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	-	-	-	-	-	-	-	-	-	
2 Bed Apartment - Net sales (sqft)	646	646	678	646	646	678	-	-	-	-	-	-	-	-	-	60m2 (net-standard)
2 Bed Apartment - GIA (sqft)	760	760	798	760	760	798	-	-	-	-	-	-	-	-	-	63m2 (net-NPSS)
Net to Gross	85%	85%	85%	85%	85%	85%	-	-	-	-	-	-	-	-	-	-
% of total units in scenario	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	-	-	-	-	-	-	-	-	-	
Land Value																
Land Price (per net acre)	£375,000	£375,000	£375,000	£325,000	£325,000	£325,000	£375,000	£375,000	£375,000	£325,000	£325,000	£325,000	£375,000	£325,000	£375,000	
Stamp Duty Land Tax (SDLT)	Applied at the prevailing rate															
Acquisition Agent fees	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	% of land price
Acquisition Legal fees	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	% of land price
Cost Assumptions																
Initial Payments -																
Statutory Planning Fees	£23,100	£23,100	£23,100	£23,100	£23,100	£23,100	£6,930	£6,930	£6,930	£6,930	£6,930	£6,930	£2,772	£2,772	£924	
Construction Costs -																
Demolition, Site Clearance and remediation (per gross acre)	-	-	-	£100,000	£100,000	£100,000	-	-	-	£110,000	£110,000	£110,000	-	£115,000		Cost per acre
Houses Build Costs	£78.00	£78.00	£78.00	£78.00	£78.00	£78.00	£87.00	£87.00	£87.00	£87.00	£87.00	£87.00	£92.00	£92.00	£150.00	£ per ft2 - Base
Bungalow Build Costs	£116.00	£116.00	£116.00	£116.00	£116.00	£116.00	-	-	-	-	-	-	-	-	-	build cost of
Apartment Build Costs	£102.85	£102.85	£102.85	£102.85	£102.85	£102.85	-	-	-	-	-	-	-	-	-	footprint of units
External works inc. utilities reinforcement (allowance)	15%	15%	15%	15%	15%	15%	10%	10%	10%	10%	10%	10%	10%	10%	10%	% of base build
Contingency	3%	3%	3%	5%	5%	5%	3%	3%	3%	5%	5%	5%	3%	5%	3%	% of total construction
M4(2) Allowance per unit for 20% of units		1000.00			1000.00			1000.00			1000.00					
Professional Fees (Note 1) -																
	8%	8%	8%	9%	9%	9%	9%	9%	9%	10%	10%	10%	9%	10%	9%	% of total construction
Disposal Costs -																
Sale Agents Costs	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	% of Gross
Sale Legal Costs	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	15%	15%	15%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	Development Value
Marketing and Promotion	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
Finance Costs -																
Finance Fees	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	% interest per
Interest allowance (land & build)	6%	6%	6%	6%	6%	6%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	annum on
																cumulative balance
Profit																
Developers Profit	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	Blended rate

Specific Notes

1 Includes planning application professional fees and reports

General Note

Build Costs

Build costs (Base build) relates to the cost of building each unit. The cost of external and infrastructure works outside of the footprint (including areas within the curtilage of each unit) is not included in this assumed figure.

External works inc. utilities reinforcement (allowance) - relates to all 'normal' build costs outside of the footprint of each unit

Contingency is a general allowance to cover the antedated likely range of budget variance, dependent upon the nature of each assumed specific development

Timescales - residential schemes

Lead in time (pre construction) - pre-construction enabling / mobilisation period following site purchase. Phased purchased assumed for larger sites

Construction period (months per unit)

Average months between construction start and first sale

Sales per month. Small and medium sized schemes

Sales per month. Large sized schemes - It is anticipated that large residential schemes will be operated as two sales outlets

3 months
6 months
6 months
2 sales
N/A

S106 contributions (per residential unit)

To be sensitivity tested for relevant scenarios across an appropriate range of figures (suggest £2,000, £5,000 and £7,500 per unit for residential and mixed use scenarios)

Affordable housing (as percentage of total units)

To be sensitivity tested for relevant scenarios across an appropriate range of percentages

Lancaster CC	Lancaster District (Strategic sites)												Lambert Smith Hampton
			Large Greenfield Residential - all units at nationally described space standards			Large Greenfield Residential - all units at nationally described space standards			Large Greenfield Residential - all units at nationally described space standards			Large Greenfield / Brownfield Residential - all units at nationally described space standards	LSH comment
	Large Greenfield Residential	Large Greenfield Residential - 20% of units at M4(2)		Large Greenfield Residential	Large Greenfield Residential - 20% of units at M4(2)		Large Greenfield Residential	Large Greenfield Residential - 20% of units at M4(2)		Large Greenfield / Brownfield Residential	Large Greenfield / Brownfield Residential - 20% of units at M4(2)		
	Bairrigg Garden Village			Ridge Farm / Cuckoo Farm (Lancaster East)			Hammerton Hall / Beaumont Hall (Lancaster North)			Lundsfield Quarry / Sth Windermere Rd (Carnforth South)			
Scenario Reference	S1	S1a	S1b	S2	S1a	S1b	S3	S3a	S3b	S4	S4a	S4b	
Headline Assumptions													
Number of units (residential)	3,500	3,500	3,500	900	900	900	700	700	700	700	700	700	
Net site area (hectares)	140	140	140	29	29	29	23	23	23	23	23	23	Indicative areas
Net site area (acres)	346	346	346	72	72	72	56	56	56	56	56	56	Indicative areas
Density (residential units per net hectare)	25.0	25.0	25.0	30.89	30.89	30.89	30.89	30.89	30.89	30.89	30.89	30.89	
Density (residential units per net acre)	10.1	10.1	10.1	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	
Sqft of floorspace per net site acre	8,470	8,470	8,950	10,466	10,466	11,058	10,466	10,466	11,058	10,466	10,466	11,058	
Gross to net ratio	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	
Gross site area (hectares)	280.0	280.0	280.0	48.6	48.6	48.6	37.8	37.8	37.8	37.8	37.8	37.8	Indicative areas
Gross site area (acres)	691.9	691.9	691.9	120.0	120.0	120.0	93.3	93.3	93.3	93.3	93.3	93.3	Indicative areas
Value Assumptions													
2 Bed House	£168,000	£168,000	£172,903	£160,000	£160,000	£164,688	£160,000	£160,000	£164,688	£152,000	£152,000	£156,500	
3 Bed House	£204,750	£204,750	£230,000	£195,000	£195,000	£219,000	£195,000	£195,000	£219,000	£186,000	£186,000	£209,000	
4+ Bed House	£288,750	£288,750	£296,500	£275,000	£275,000	£282,352	£275,000	£275,000	£282,352	£261,000	£261,000	£268,000	
2 Bed Bungalow	£182,000	£182,000	£182,000	£175,000	£175,000	£175,000	£175,000	£175,000	£175,000	£168,000	£168,000	£168,000	
1 Bed Apartment	£120,500	£120,500	£124,172	£115,132	£115,132	£118,629	£115,132	£115,132	£118,629	£110,000	£110,000	£113,363	
2 Bed Apartment	£144,000	£144,000	£151,222	£137,598	£137,598	£144,441	£137,598	£137,598	£144,441	£131,500	£131,500	£138,000	
Unit Sizes													
2 Bed House - GIA (sqft)	753	753	775	753	753	775	753	753	775	753	753	775	70m2 (standard)
% of total MARKET units in scenario	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	72m2 (NPSS)
% of total AFFORDABLE units in scenario	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	
3 Bed House - GIA (sqft)	915	915	1,028	915	915	1,028	915	915	1,028	915	915	1,028	85m2 (standard)
% of total MARKET units in scenario	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	95.5m2 (NPSS)
% of total AFFORDABLE units in scenario	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	
4+ Bed House - GIA (sqft)	1,237	1,237	1,270	1,237	1,237	1,270	1,237	1,237	1,270	1,237	1,237	1,270	114.9m2 (standard)
% of total MARKET units in scenario	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	118m2 (NPSS)
% of total AFFORDABLE units in scenario	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	
2 Bed Bungalow - GIA (sqft)	700	700	700	700	700	700	700	700	700	700	700	700	65m2 (standard)
% of total MARKET units in scenario	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	65m2 (NPSS)
% of total AFFORDABLE units in scenario	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	
1 Bed Apartment - Net sales (sqft)	538	538	554	538	538	554	538	538	554	538	538	554	50m2 (net-standard)
1 Bed Apartment - GIA (sqft)	633	633	652	633	633	652	633	633	652	633	633	652	51.5m2 (net-NPSS)
Net to Gross	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	
% of total MARKET units in scenario	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	
% of total AFFORDABLE units in scenario	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	
2 Bed Apartment - Net sales (sqft)	646	646	678	646	646	678	646	646	678	646	646	678	60m2 (net-standard)
2 Bed Apartment - GIA (sqft)	760	760	798	760	760	798	760	760	798	760	760	798	63m2 (net-NPSS)
Net to Gross	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	
% of total MARKET units in scenario	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	
% of total AFFORDABLE units in scenario	-	-	-	-	-	-	-	-	-	-	-	-	
Land Value													
Land Price (per net acre)	£250,000	£250,000	£250,000	£300,000	£300,000	£300,000	£300,000	£300,000	£300,000	£275,000	£275,000	£275,000	
Stamp Duty Land Tax (SDLT)	Applied at the prevailing rate			Applied at the prevailing rate			Applied at the prevailing rate			Applied at the prevailing rate			
Acquisition Agent fees	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	% of land price
Acquisition Legal fees	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	% of land price
Cost Assumptions													
Initial Payments -													
Statutory Planning Fees	£250,000	£250,000	£250,000	£116,799	£116,799	£116,799	£93,799	£93,799	£93,799	£93,799	£93,799	£93,799	
Construction Costs -													
Demolition, Site Clearance and remediation (per gross acre)	TBC (based on Infrastructure Delivery Schedule, site specific adapted costs and discussions with landowner representatives)												Cost per acre
Houses Build Costs	£90.33	£90.33	£90.33	£86.03	£86.03	£86.03	£86.03	£86.03	£86.03	£86.03	£86.03	£86.03	£ per ft2 - Base
Bungalow Build Costs	£117.25	£117.25	£117.25	£111.67	£111.67	£111.67	£111.67	£111.67	£111.67	£111.67	£111.67	£111.67	build cost of
Apartment Build Costs	£105.36	£105.36	£105.36	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	£100.34	footprint of units
External works inc. utilities reinforcement (allowance)	22%	22%	22%	20%	20%	20%	20%	20%	20%	20%	20%	20%	% of base build
Contingency	5%	5%	5%	5%	5%	5%	5%	5%	5%	6%	6%	6%	% of total construction
M4(2) Allowance per unit for 20% of units		1000.00			1000.00			1000.00			1000.00		
Professional Fees (Note 1) -													
	7%	7%	7%	7%	7%	7%	7%	7%	7%	8%	8%	8%	% of total construction
Disposal Costs -													
Sale Agents Costs	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	% of Gross Development Value
Sale Legal Costs	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
Marketing and Promotion	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	
Finance Costs -													
Finance Fees	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	% interest per annum on cumulative balance
Interest allowance (land & build)	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	
Profit													
Developers Profit	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	Blended rate

Specific Notes
1 Includes planning application professional fees and reports

General Note

Build Costs
Build costs (Base build) relates to the cost of building each unit. The cost of external and infrastructure works outside of the footprint (including areas within the curtilage of each unit) is not included in this assumed figure.
External works inc. utilities reinforcement (allowance) - relates to all 'normal' build costs outside of the footprint of each unit
Contingency is a general allowance to cover the antedated likely range of budget variance, dependent upon the nature of each assumed specific development

3 months
6 months
6 months

Timescales - residential schemes
Lead in time (pre construction) - pre-construction enabling / mobilisation period following site purchase. Phased purchased assumed for larger sites
Construction period (months per unit)
Average months between construction start and first sale
Sales per month. Small and medium sized schemes
Sales per month. Large sized schemes - It is anticipated that large residential schemes will be operated as two sales outlets

3 months
6 months
6 months
2 sales
4 sales

S106 contributions (per residential unit)
To be sensitivity tested for relevant scenarios across an appropriate range of figures (suggest £2,500, £5,000 and £7,500 per unit for residential and mixed use scenarios)

Affordable housing (as percentage of total units)
To be sensitivity tested for relevant scenarios across an appropriate range of percentages

Lancaster CC		Lancaster District (Mixed and Commerical sites)									Lambert Smith Hampton	
			Medium / Large Employment Business Park (Lancaster) (Greenfield)	Medium / Large Employment Business Park (Lancaster) (Brownfield)	Small / Medium Employment Business Park (Carnforth) (Greenfield)	Small / Medium Employment Business Park (Carnforth) (Brownfield)	Medium / Large Industrial / Logisitcs (Heysham Gateway) (Greenfield)	Medium / Large Industrial / Logisitcs (Heysham Gateway) (Brownfield)	Small / Medium Rural Employment Business Park (Lancaster Rural) (Greenfield)			LSH comment
Local Plan Viability Assessment - DRAFT APPRAISAL ASSUMPTIONS		Medium Mixed Use (Lancaster) (Brownfield)										
Scenario Reference		M1	C1	C2	C3	C4	C5	C6	C7	C8	C9	
Headline Assumptions												
Number of units (residential)		30	-	-	-	-	-	-	-	-	-	
Net site area (hectares)		0.38	1.61	1.61	0.52	0.52	2.1	2.1	0.50	0.19	0.40	
Net site area (acres)		0.94	3.98	3.98	1.28	1.28	5.19	5.19	1.24	0.47	0.99	
Density (residential units per net hectare)		80	-	-	-	-	-	-	-	-	-	
Density (residential units per net acre)		31.95	-	-	-	-	-	-	-	-	-	
Gross to net ratio		0.50	0.40	0.40	0.40	0.40	0.50	0.50	0.40	0.4	0.4	
Gross site area (hectares)		0.76	2.08	2.08	1.30	1.30	4.20	4.20	1.25	0.61	0.82	
Gross site area (acres)		1.88	5.14	5.14	3.21	3.21	10.38	10.38	3.09	1.50	2.02	
Further description (mixed used and commercial scenarios)	Assume 4 storey building of 7000 sqft GIA per floor. Retail on ground floor, residential on floors above. External: 50 space car park	Assume single storey industrial building of 40,000 sqft GIA and a 2 storey office building of 15,000 sqft per floor. External: 125 space car park	Assume single storey industrial building of 40,000 sqft GIA and a 2 storey office building of 15,000 sqft per floor. External: 125 space car park	Assume single storey industrial building of 20,000 sqft GIA and a 2 storey office building of 7,500 sqft per floor. External: 63 space car park	Assume single storey industrial building of 20,000 sqft GIA and a 2 storey office building of 7,500 sqft per floor. External: 63 space car park	Assume single storey industrial buildings / warehouses with cumulative floor area of 200,000 sqft GIA. External: 500 space car park	Assume single storey industrial buildings / warehouses with cumulative floor area of 200,000 sqft GIA. External: 500 space car park	Assume single storey industrial building of 20,000 sqft GIA and a 2 storey office building of 6,500 sqft per floor. External: 63 space car park	Assume single storey budget retail store of 19,000 sqft GIA. External: 125 space car park	Assume terrace of single storey retail warehouses of 44,000 sqft GIA external. 140 space car park.		
Value Assumptions												
1 Bed Apartment		£20	-	-	-	-	-	-	-	-	-	
2 Bed Apartment		£20	-	-	-	-	-	-	-	-	-	
Residential Rent (£psf)		£20.00	-	-	-	-	-	-	-	-	-	
Residential Yield		7.50%	-	-	-	-	-	-	-	-	-	
Retail Rent (£psf)		£16.00	-	-	-	-	-	-	-	£15.50	£12.50	
Retail Yield		7.50%	-	-	-	-	-	-	-	5.25%	5.75%	
Office Rent (£psf)		-	£15.00	£15.00	£15.00	£15.00	-	-	£15.00	-	-	
Office Yield		-	7.50%	7.50%	8.00%	8.00%	-	-	9.00%	-	-	
Industrial Rent (£psf)		-	-	-	£7.25	£7.25	£6.00	£6.00	£6.75	-	-	
Industrial Yield		-	-	-	8.00%	8.00%	6.50%	6.50%	9.00%	-	-	
Unit Sizes												
1 Bed Apartment - Net sales (sqft)		538	-	-	-	-	-	-	-	-	-	50m2 (net-standard)
1 Bed Apartment - GIA (sqft)		633	-	-	-	-	-	-	-	-	-	51.5m2 (net-NPSS)
Net to Gross		85%	-	-	-	-	-	-	-	-	-	
% of total MARKET units in scenario		50%	-	-	-	-	-	-	-	-	-	
% of total AFFORDABLE units in scenario		100%	-	-	-	-	-	-	-	-	-	
2 Bed Apartment - Net sales (sqft)		646	-	-	-	-	-	-	-	-	-	60m2 (net-standard)
2 Bed Apartment - GIA (sqft)		760	-	-	-	-	-	-	-	-	-	63m2 (net-NPSS)
Net to Gross		85%	-	-	-	-	-	-	-	-	-	
% of total MARKET units in scenario		50%	-	-	-	-	-	-	-	-	-	
% of total AFFORDABLE units in scenario		-	-	-	-	-	-	-	-	-	-	
Retail - Net sales (sqft)		6,000	-	-	-	-	-	-	-	18,050	37,835	
Retail - GIA (sqft)		7,000	-	-	-	-	-	-	-	19,000	39,826	
Net to Gross		86%	-	-	-	-	-	-	-	95%	95%	
Office - Net sales (sqft)		-	63,000	63,000	13,500	13,500	-	-	12,300	-	-	
Office - GIA (sqft)		-	70,000	70,000	15,000	15,000	-	-	13,000	-	-	
Net to Gross		-	90.0%	90.0%	90.0%	90.0%	-	-	90.0%	-	-	
Industrial - Net sales (sqft)		-	-	-	19,000	19,000	190,000	190,000	19,000	-	-	
Industrial - GIA (sqft)		-	-	-	20,000	20,000	200,000	200,000	20,000	-	-	
Net to Gross		-	-	-	95.0%	95.0%	95.0%	95.0%	95.0%	-	-	
Land Value												
Land Price (per net acre)		£500,000	£175,000	£175,000	£175,000	£175,000	£175,000	£175,000	£175,000	£650,000	£350,000	
Stamp Duty Land Tax (SDLT)												
Acquisition Agent fees		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	% of land price
Acquisition Legal fees		0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	% of land price
Cost Assumptions												
Initial Payments -												
Statutory Planning Fees		£18,480	£29,759	£29,759	£22,638	£22,638	£54,599	£54,599	£21,252	£12,012	£24,101	
Construction Costs -												
Demolition, Site Clearance and remediation (per gross acre)		£110,000	-	110000	-	110000	-	110000	-	£105,000	£210,000	Cost per acre
Mixed Use Build Cost		£84.63	-	-	-	-	-	-	-	-	-	
Office Build Cost		-	£98.00	£98.00	£98.00	£98.00	-	-	£103.00	-	-	£ per ft2 - Base build cost
Industrial Build Cost		-	-	-	£60.00	£60.00	£50.00	£50.00	£65.00	-	-	of footprint of units only
Retail Build Cost		-	-	-	-	-	-	-	-	£50.00	£60.00	% of base build
External works inc. utilities reinforcement (allowance)		10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	% of total construction
Contingency		5%	5%	7%	5%	7%	5%	7%	5%	5%	5%	% of total construction
Professional Fees (Note 1) -		9%	9%	9%	9%	9%	9%	9%	9%	8%	8%	
Disposal Costs -												
Letting Agents Costs		10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	
Letting Legal Costs		5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	
Sale Agents Costs		1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	
Sale Legal Costs		0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	% of Gross Development Value
Marketing and Promotion		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	
Finance Costs -												
Finance Fees		1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	
Interest allowance (land & build)		6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	% interest per annum on cumulative balance
Profit												
Developers Profit		20%	20%	20%	20%	20%	20%	20%	20%	18%	20%	

Specific Notes
Includes planning application professional fees and reports

General Note
Build Costs
Build costs (Base build) relates to the cost of building each unit. The cost of external and infrastructure works outside of the footprint (including areas within the curtilage of each unit) is not included in this assumed figure.
External works inc. utilities reinforcement (allowance) - relates to all 'normal' build costs outside of the footprint of each unit
Contingency is a general allowance to cover the antedated likely range of budget variance, dependent upon the nature of each assumed specific development

Timescales - residential schemes
Lead in time (pre construction) - pre-construction enabling / mobilisation period following site purchase. Phased purchased assumed for larger sites
Construction period (months per unit)
Average months between construction start and first sale
Sales per month. Small and medium sized schemes
Sales per month. Large sized schemes - It is anticipated that large residential schemes will be operated as two sales outlets

S106 contributions (per residential unit)
To be sensitivity tested for relevant scenarios across an appropriate range of figures (suggest £2,500, £5,000 and £7,500 per unit for residential and mixed use scenarios)

Affordable housing (as percentage of total units)
To be sensitivity tested for relevant scenarios across an appropriate range of percentages

Appendix 5

Viability appraisals

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR1.

ASSUMPTIONS			
Land Acquisition Value	350,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.58	hectares	16.26 acres
Net Site Area	3.95	hectares	9.76 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	160,000	38	25.3%
3 Bed houses	195,000	46	30.7%
4+ Bed houses	275,000	38	25.3%
2 Bed Bungalow	175,000	14	9.3%
1 Bed Apartment	115,132	7	4.7%
2 Bed Apartment	137,598	7	4.7%
		150	100%
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(2,674,720)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(891,573)
GROSS DEVELOPMENT VALUE			26,152,817

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	3.95	ha	9.76 acres
Site Purchase Price			(3,414,428)
SDLT	3,414,428	@	Rate
Acquisition Agent fees	3,414,428	@	1%
Acquisition Legal fees	3,414,428	@	0.5%
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	0 per acre
Houses Build Costs	117,710	sqft @	75.00 psf
Bungalow Build Costs	9,800	sqft @	113.17 psf
Apartment Build Costs	9,751	sqft @	114.46 psf
External works inc. utilities reinforcement (allowance)	11,053,415	@	20%
Contingency	13,264,099	@	3%
Professional Fees	13,662,022	@	8%
Disposal Costs -			
Sale Agents Costs	26,152,817	GDV @	1.00%
Sale Legal Costs	26,152,817	GDV @	0.50%
Marketing and Promotion (1)	26,152,817	GDV @	2.50%
Finance Costs -			
Finance Fees	19,470,520	@	1.00%
Interest allowance (land) (2)	24	months @	6.00%
Interest allowance (build) (3)	3	months @	6.00%
Developers Profit	26,152,817	@	18.00%
TOTAL COSTS			(25,029,814)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	1,123,002

SENSITIVITY ANALYSIS

	Values	80%	90%	100%	110%	120%
Construction Costs	1,123,002	(1,257,944)	612,848	2,483,640	4,354,432	6,225,224
	90%	(1,938,262)	(67,471)	1,803,321	3,674,113	5,544,905
	100%	(2,618,581)	(747,789)	1,123,002	2,993,794	4,864,586
	105%	(3,298,900)	(1,428,108)	442,684	2,313,476	4,184,267
	110%	(3,979,219)	(2,108,427)	(237,635)	1,633,157	3,503,949

NOTES

- (1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.
- (2) interest on land assuming phased drawdown of site in 4 tranches
- (3) interest on buildings based on build one - sell one unit per month
- (4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate
- (4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR1a.

ASSUMPTIONS			
Land Acquisition Value	350,000	per net acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.58	hectares	16.26 acres
Net Site Area	3.95	hectares	9.76 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	160,000	38	25.3%
3 Bed houses	195,000	46	30.7%
4+ Bed houses	275,000	38	25.3%
2 Bed Bungalow	175,000	14	9.3%
1 Bed Apartment	115,132	7	4.7%
2 Bed Apartment	137,598	7	4.7%
		150	100%
			29,719,110
<i>less</i>			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(2,674,720)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(891,573)
GROSS DEVELOPMENT VALUE			26,152,817

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	3.95	ha	9.76 acres
Site Purchase Price			(3,414,428)
SDLT	3,414,428	@	Rate (160,221)
Acquisition Agent fees	3,414,428	@	1% (34,144)
Acquisition Legal fees	3,414,428	@	0.5% (17,072)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	0 per acre -
Houses Build Costs	117,710	sqft @	75.00 psf (8,828,250)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,053,415	@	20% (2,210,683)
Contingency	13,264,099	@	3% (397,923)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	13,692,022	@	8% (1,095,362)
Disposal Costs -			
Sale Agents Costs	26,152,817	GDV @	1.00% (261,528)
Sale Legal Costs	26,152,817	GDV @	0.50% (130,764)
Marketing and Promotion (1)	26,152,817	GDV @	2.50% (653,820)
Finance Costs -			
Finance Fees	19,502,920	@	1.00% (195,029)
Interest allowance (land) (2)	24	months @	6.00% (435,104)
Interest allowance (build) (3)	3	months @	6.00% (222,464)
Developers Profit	26,152,817	@	18.00% (4,707,507)
TOTAL COSTS			(25,063,024)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	1,089,792

SENSITIVITY ANALYSIS						
	Values					
	1,089,792	80%	90%	100%	110%	120%
Construction Costs	90%	(1,291,154)	579,638	2,450,430	4,321,222	6,192,014
	95%	(1,971,472)	(100,681)	1,770,111	3,640,903	5,511,695
	100%	(2,651,791)	(780,999)	1,089,792	2,960,584	4,831,376
	105%	(3,332,110)	(1,461,318)	409,474	2,280,266	4,151,057
	110%	(4,012,429)	(2,141,637)	(270,845)	1,599,947	3,470,739

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR1b.

ASSUMPTIONS			
Land Acquisition Value	350,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.95	hectares	acres
Net Site Area	4.17	hectares	10.30 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	652	85.0%
2 Bed Apartment	678	798	85.0%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	164,688	38	25.3%
3 Bed houses	219,000	46	30.7%
4+ Bed houses	282,352	38	25.3%
2 Bed Bungalow	175,000	14	9.3%
1 Bed Apartment	118,629	7	4.7%
2 Bed Apartment	144,441	7	4.7%
		150	100%
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(2,821,771)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(940,590)
GROSS DEVELOPMENT VALUE			27,590,649

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	4.17	ha	10.30 acres
Site Purchase Price			(3,606,425)
SDLT	3,606,425	@	Rate (169,821)
Acquisition Agent fees	3,606,425	@	1% (36,064)
Acquisition Legal fees	3,606,425	@	0.5% (18,032)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	17.17	acres (gross) @	0 per acre -
Houses Build Costs	124,998	sqft @	75.00 psf (9,374,850)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	10,150	sqft @	114.46 psf (1,161,769)
External works inc. utilities reinforcement (allowance)	11,645,685	@	20% (2,329,137)
Contingency	13,974,822	@	3% (419,245)
Professional Fees	14,394,067	@	8% (1,151,525)
Disposal Costs -			
Sale Agents Costs	27,590,649	GDV @	1.00% (275,906)
Sale Legal Costs	27,590,649	GDV @	0.50% (137,953)
Marketing and Promotion (1)	27,590,649	GDV @	2.50% (689,766)
Finance Costs -			
Finance Fees	20,523,119	@	1.00% (205,231)
Interest allowance (land) (2)	24	months @	6.00% (459,641)
Interest allowance (build) (3)	3	months @	6.00% (233,837)
Developers Profit	27,590,649	@	18.00% (4,966,317)
TOTAL COSTS			(26,388,145)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	1,202,504

SENSITIVITY ANALYSIS						
	Values					
	1,202,504	80%	90%	100%	110%	120%
Construction Costs	90%	(1,321,592)	661,294	2,644,179	4,627,064	6,609,949
	95%	(2,042,429)	(59,544)	1,923,341	3,906,226	5,889,112
	100%	(2,763,267)	(780,381)	1,202,504	3,185,389	5,168,274
	105%	(3,484,104)	(1,501,219)	481,666	2,464,551	4,447,437
	110%	(4,204,942)	(2,222,056)	(239,171)	1,743,714	3,726,599

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR1c.

ASSUMPTIONS			
Land Acquisition Value	350,000	per net acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.95	hectares	17.17 acres
Net Site Area	4.17	hectares	10.30 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	652	85.0%
2 Bed Apartment	678	798	85.0%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	164,688	38	25.3%
3 Bed houses	219,000	46	30.7%
4+ Bed houses	282,352	38	25.3%
2 Bed Bungalow	175,000	14	9.3%
1 Bed Apartment	118,629	7	4.7%
2 Bed Apartment	144,441	7	4.7%
		150	100%
			31,353,010
/less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(2,821,771)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(940,590)
GROSS DEVELOPMENT VALUE			27,590,649

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	4.17	ha	10.30 acres
Site Purchase Price			(3,606,425)
SDLT	3,606,425	@	Rate (169,821)
Acquisition Agent fees	3,606,425	@	1% (36,064)
Acquisition Legal fees	3,606,425	@	0.5% (18,032)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	17.17	acres (gross) @	0 per acre -
Houses Build Costs	124,998	sqft @	75.00 psf (9,374,850)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	10,150	sqft @	114.46 psf (1,161,769)
External works inc. utilities reinforcement (allowance)	11,645,685	@	20% (2,329,137)
Contingency	13,974,822	@	3% (419,245)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	14,424,067	@	8% (1,153,925)
Disposal Costs -			
Sale Agents Costs	27,590,649	GDV @	1.00% (275,906)
Sale Legal Costs	27,590,649	GDV @	0.50% (137,953)
Marketing and Promotion (1)	27,590,649	GDV @	2.50% (689,766)
Finance Costs -			
Finance Fees	20,555,519	@	1.00% (205,555)
Interest allowance (land) (2)	24	months @	6.00% (459,641)
Interest allowance (build) (3)	3	months @	6.00% (234,323)
Developers Profit	27,590,649	@	18.00% (4,966,317)
TOTAL COSTS			(26,421,355)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	1,169,294

SENSITIVITY ANALYSIS						
	Values					
	1,169,294	80%	90%	100%	110%	120%
Construction Costs	90%	(1,354,802)	628,084	2,610,969	4,593,854	6,576,738
	95%	(2,075,639)	(92,754)	1,890,131	3,873,016	5,855,902
	100%	(2,796,477)	(813,591)	1,169,294	3,152,179	5,135,064
	105%	(3,517,314)	(1,534,429)	448,456	2,431,341	4,414,227
	110%	(4,238,152)	(2,255,266)	(272,381)	1,710,504	3,693,389

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR2.

ASSUMPTIONS				
Land Acquisition Value	300,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	6.58	hectares	16.26	acres
Net Site Area	3.95	hectares	9.76	acres
Gross to Net Ratio	0.60			
	Net sales (sqft)	GIA (sqft)	Net to Gross %	
2 Bed houses	753	753	100.0%	
3 Bed houses	915	915	100.0%	
4+ Bed houses	1,237	1,237	100.0%	
2 Bed Bungalow	700	700	100.0%	
1 Bed Apartment	538	633	85.0%	
2 Bed Apartment	646	760	85.0%	
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	160,000	38	25.3%	6,080,000
3 Bed houses	195,000	46	30.7%	8,970,000
4+ Bed houses	275,000	38	25.3%	10,450,000
2 Bed Bungalow	175,000	14	9.3%	2,450,000
1 Bed Apartment	115,132	7	4.7%	805,924
2 Bed Apartment	137,598	7	4.7%	963,186
		150	100%	29,719,110
<i>less</i>				
Affordable Housing (total)	20%			
(of which) Social Rented	50%	60% discount from MV		(1,783,147)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(594,382)
GROSS DEVELOPMENT VALUE				27,341,581

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	3.95	ha	9.76	acres
Site Purchase Price				(2,926,652)
SDLT	2,926,652	@	Rate	(135,832)
Acquisition Agent fees	2,926,652	@	1%	(29,267)
Acquisition Legal fees	2,926,652	@	0.5%	(14,633)
Initial Payments -				
Statutory Planning Fees				(43,559)
Construction Costs -				
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	100,000	per acre
Houses Build Costs	117,710	sqft @	75.00	psf
Bungalow Build Costs	9,800	sqft @	113.17	psf
Apartment Build Costs	9,751	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	11,053,415	@	20%	(2,210,683)
Contingency	13,264,099	@	5%	(663,205)
Professional Fees	15,553,221	@	9%	(1,399,790)
Disposal Costs -				
Sale Agents Costs	27,341,581	GDV @	1.00%	(273,416)
Sale Legal Costs	27,341,581	GDV @	0.50%	(136,708)
Marketing and Promotion (1)	27,341,581	GDV @	2.50%	(683,540)
Finance Costs -				
Finance Fees	21,196,618	@	1.00%	(211,966)
Interest allowance (land) (2)	24	months @	6.00%	(372,766)
Interest allowance (build) (3)	3	months @	6.00%	(254,949)
Developers Profit	27,341,581	@	18.00%	(4,921,485)
TOTAL COSTS				(26,957,783)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	383,798

SENSITIVITY ANALYSIS						
	Values					
	383,798	80%	90%	100%	110%	120%
Construction Costs	90%	(2,127,957)	(172,129)	1,783,699	3,739,527	5,695,354
	95%	(2,827,907)	(872,079)	1,083,748	3,039,576	4,995,404
	100%	(3,527,858)	(1,572,030)	383,798	2,339,626	4,295,454
	105%	(4,227,808)	(2,271,980)	(316,153)	1,639,675	3,595,503
	110%	(4,927,759)	(2,971,931)	(1,016,103)	939,725	2,895,553

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR2a.

ASSUMPTIONS			
Land Acquisition Value	300,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.58	hectares	16.26 acres
Net Site Area	3.95	hectares	9.76 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	160,000	38	25.3%
3 Bed houses	195,000	46	30.7%
4+ Bed houses	275,000	38	25.3%
2 Bed Bungalow	175,000	14	9.3%
1 Bed Apartment	115,132	7	4.7%
2 Bed Apartment	137,598	7	4.7%
		150	100%
			29,719,110
less			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(1,783,147)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(594,382)
GROSS DEVELOPMENT VALUE			27,341,581

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	3.95	ha	9.76 acres
Site Purchase Price			(2,926,652)
SDLT	2,926,652	@	Rate (135,832)
Acquisition Agent fees	2,926,652	@	1% (29,267)
Acquisition Legal fees	2,926,652	@	0.5% (14,633)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	100,000 per acre (1,625,918)
Houses Build Costs	117,710	sqft @	75.00 psf (8,828,250)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,053,415	@	20% (2,210,683)
Contingency	13,264,099	@	5% (663,205)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	15,583,221	@	9% (1,402,490)
Disposal Costs -			
Sale Agents Costs	27,341,581	GDV @	1.00% (273,416)
Sale Legal Costs	27,341,581	GDV @	0.50% (136,708)
Marketing and Promotion (1)	27,341,581	GDV @	2.50% (683,540)
Finance Costs -			
Finance Fees	21,229,318	@	1.00% (212,293)
Interest allowance (land) (2)	24	months @	6.00% (372,766)
Interest allowance (build) (3)	3	months @	6.00% (255,439)
Developers Profit	27,341,581	@	18.00% (4,921,485)
TOTAL COSTS			(26,991,301)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	350,280

SENSITIVITY ANALYSIS						
	Values					
	350,280	80%	90%	100%	110%	120%
Construction Costs	90%	(2,161,474)	(205,647)	1,750,181	3,706,009	5,661,837
	95%	(2,861,425)	(905,597)	1,050,231	3,006,059	4,961,887
	100%	(3,561,375)	(1,605,547)	350,280	2,306,108	4,261,936
	105%	(4,261,326)	(2,305,498)	(349,670)	1,606,158	3,561,986
	110%	(4,961,276)	(3,005,448)	(1,049,620)	906,207	2,862,035

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR2b.

ASSUMPTIONS			
Land Acquisition Value	300,000	per acre	
Developers Profit	20.0%	on GDV	
Gross Site Area	6.95	hectares	17.17 acres
Net Site Area	4.17	hectares	10.30 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	633	87.5%
2 Bed Apartment	678	760	89.2%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	164,688	38	25.3%
3 Bed houses	219,000	46	30.7%
4+ Bed houses	282,352	38	25.3%
2 Bed Bungalow	175,000	14	9.3%
1 Bed Apartment	118,629	7	4.7%
2 Bed Apartment	144,441	7	4.7%
		150	100%
less			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(1,881,181)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(627,060)
GROSS DEVELOPMENT VALUE			28,844,769

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	4.17	ha	10.30 acres
Site Purchase Price			(3,091,221)
SDLT	3,091,221	@	Rate (144,061)
Acquisition Agent fees	3,091,221	@	1% (30,912)
Acquisition Legal fees	3,091,221	@	0.5% (15,456)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	17.17	acres (gross) @	100,000 per acre (1,717,345)
Houses Build Costs	124,998	sqft @	75.00 psf (9,374,850)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,600,015	@	20% (2,320,003)
Contingency	13,920,019	@	5% (696,001)
Professional Fees	16,333,364	@	9% (1,470,003)
Disposal Costs -			
Sale Agents Costs	28,844,769	GDV @	1.00% (288,448)
Sale Legal Costs	28,844,769	GDV @	0.50% (144,224)
Marketing and Promotion (1)	28,844,769	GDV @	2.50% (721,119)
Finance Costs -			
Finance Fees	22,282,367	@	1.00% (222,824)
Interest allowance (land) (2)	24	months @	6.00% (393,798)
Interest allowance (build) (3)	3	months @	6.00% (267,704)
Developers Profit	28,844,769	@	18.00% (5,192,058)
TOTAL COSTS			(28,358,751)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	486,018

SENSITIVITY ANALYSIS						
	Values					
	486,018	80%	90%	100%	110%	120%
Construction Costs	90%	(2,183,167)	(110,151)	1,962,865	4,035,862	6,108,898
	95%	(2,921,591)	(848,575)	1,224,442	3,297,458	5,370,474
	100%	(3,660,015)	(1,586,999)	486,018	2,559,034	4,632,051
	105%	(4,398,439)	(2,325,422)	(252,406)	1,820,610	3,893,627
	110%	(5,136,863)	(3,063,846)	(990,830)	1,082,186	3,155,203

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

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LCR2c.

ASSUMPTIONS			
Land Acquisition Value	300,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.95	hectares	17.17 acres
Net Site Area	4.17	hectares	10.30 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	633	87.5%
2 Bed Apartment	678	760	89.2%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	164,688	38	25.3%
3 Bed houses	219,000	46	30.7%
4+ Bed houses	282,352	38	25.3%
2 Bed Bungalow	175,000	14	9.3%
1 Bed Apartment	118,629	7	4.7%
2 Bed Apartment	144,441	7	4.7%
		150	100%
			31,353,010
/less			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(1,881,181)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(627,060)
GROSS DEVELOPMENT VALUE			28,844,769

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	4.17	ha	10.30 acres
Site Purchase Price			(3,091,221)
SDLT	3,091,221	@	Rate (144,061)
Acquisition Agent fees	3,091,221	@	1% (30,912)
Acquisition Legal fees	3,091,221	@	0.5% (15,456)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	17.17	acres (gross) @	100,000 per acre (1,717,345)
Houses Build Costs	124,998	sqft @	75.00 psf (9,374,850)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,600,015	@	20% (2,320,003)
Contingency	13,920,019	@	5% (696,001)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	16,363,364	@	9% (1,472,703)
Disposal Costs -			
Sale Agents Costs	28,844,769	GDV @	1.00% (288,448)
Sale Legal Costs	28,844,769	GDV @	0.50% (144,224)
Marketing and Promotion (1)	28,844,769	GDV @	2.50% (721,119)
Finance Costs -			
Finance Fees	22,315,067	@	1.00% (223,151)
Interest allowance (land) (2)	24	months @	6.00% (393,798)
Interest allowance (build) (3)	3	months @	6.00% (268,194)
Developers Profit	28,844,769	@	18.00% (5,192,058)
TOTAL COSTS			(28,392,269)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	452,500

SENSITIVITY ANALYSIS						
	Values					
	452,500	80%	90%	100%	110%	120%
Construction Costs	90% (2,216,685)	(143,668)	1,929,348	4,002,364	6,075,381	
	95% (2,955,109)	(882,092)	1,190,924	3,263,940	5,336,957	
	100% (3,693,532)	(1,620,516)	452,500	2,525,517	4,598,533	
	105% (4,431,956)	(2,358,940)	(285,924)	1,787,093	3,860,109	
	110% (5,170,380)	(3,097,364)	(1,024,347)	1,048,669	3,121,685	

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

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LCR3.

ASSUMPTIONS				
Land Acquisition Value	350,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.75	hectares	4.32	acres
Net Site Area	1.31	hectares	3.24	acres
Gross to Net Ratio	0.75			
	Net sales (sqft)		GIa (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	700		700	100.0%
1 Bed Apartment	538		633	85.0%
2 Bed Apartment	646		760	85.0%
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	160,000	12	24.0%	1,920,000
3 Bed houses	195,000	15	30.0%	2,925,000
4+ Bed houses	275,000	12	24.0%	3,300,000
2 Bed Bungalow	175,000	5	10.0%	875,000
1 Bed Apartment	115,132	3	6.0%	345,396
2 Bed Apartment	137,598	3	6.0%	412,794
		50	100%	9,778,190
less				
Affordable Housing (total)	30%			
(of which) Social Rented	50%	60% discount from MV		(880,037)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(293,346)
GROSS DEVELOPMENT VALUE				8,604,807

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31	ha	3.24	acres
Site Purchase Price				(1,135,116)
SDLT	1,135,116	@	Rate	(46,255)
Acquisition Agent fees	1,135,116	@	1%	(11,351)
Acquisition Legal fees	1,135,116	@	0.5%	(5,676)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.32	acres (gross) @	0	per acre
Houses Build Costs	37,605	sqft @	75.00	psf
Bungalow Build Costs	3,500	sqft @	113.17	psf
Apartment Build Costs	4,179	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	3,694,798	@	15%	(554,220)
Contingency	4,249,018	@	3%	(127,471)
Professional Fees	4,376,489	@	8%	(350,119)
Disposal Costs -				
Sale Agents Costs	8,604,807	GDV @	1.00%	(86,048)
Sale Legal Costs	8,604,807	GDV @	0.50%	(43,024)
Marketing and Promotion (1)	8,604,807	GDV @	2.50%	(215,120)
Finance Costs -				
Finance Fees	6,292,297	@	1.00%	(62,923)
Interest allowance (land) (2)	24	months @	6.00%	(143,808)
Interest allowance (build) (3)	3	months @	6.00%	(71,246)
Developers Profit	8,604,807	@	18.00%	(1,548,865)
TOTAL COSTS				(8,119,139)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	485,668

SENSITIVITY ANALYSIS						
	Values					
	485,668	80%	90%	100%	110%	120%
Construction Costs		(303,395)	307,406	918,208	1,529,010	2,139,811
		(519,665)	91,137	701,938	1,312,740	1,923,541
		(735,935)	(125,133)	485,668	1,096,470	1,707,271
		(952,205)	(341,403)	269,398	880,200	1,491,002
		(1,168,475)	(557,673)	53,129	663,930	1,274,732

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR4.

ASSUMPTIONS				
Land Acquisition Value	300,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.75	hectares	4.32	acres
Net Site Area	1.31	hectares	3.24	acres
Gross to Net Ratio	0.75			
	Net sales (sqft)		GiA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	700		700	100.0%
1 Bed Apartment	538		633	85.0%
2 Bed Apartment	646		760	85.0%
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	160,000	12	24.0%	1,920,000
3 Bed houses	195,000	15	30.0%	2,925,000
4+ Bed houses	275,000	12	24.0%	3,300,000
2 Bed Bungalow	175,000	5	10.0%	875,000
1 Bed Apartment	115,132	3	6.0%	345,396
2 Bed Apartment	137,598	3	6.0%	412,794
		50	100%	9,778,190
less				
Affordable Housing (total)	20%			
(of which) Social Rented	50%	60% discount from MV		(586,691)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(195,564)
GROSS DEVELOPMENT VALUE				8,995,935

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31	ha	3.24	acres
Site Purchase Price				(972,956)
SDLT	972,956	@	Rate	(30,039)
Acquisition Agent fees	972,956	@	1%	(9,730)
Acquisition Legal fees	972,956	@	0.5%	(4,865)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.32	acres (gross) @	105,000	per acre
				(454,046)
Houses Build Costs	37,605	sqft @	75.00	psf
				(2,820,375)
Bungalow Build Costs	3,500	sqft @	113.17	psf
				(396,095)
Apartment Build Costs	4,179	sqft @	114.46	psf
				(478,328)
External works inc. utilities reinforcement (allowance)	3,694,798	@	15%	(554,220)
Contingency	4,249,018	@	5%	(212,451)
Professional Fees				
	4,915,515	@	9%	(442,396)
Disposal Costs -				
Sale Agents Costs	8,995,935	GDV @	1.00%	(89,959)
Sale Legal Costs	8,995,935	GDV @	0.50%	(44,980)
Marketing and Promotion (1)	8,995,935	GDV @	2.50%	(224,898)
Finance Costs -				
Finance Fees	6,758,439	@	1.00%	(67,584)
Interest allowance (land) (2)	24	months @	6.00%	(122,111)
Interest allowance (build) (3)	3	months @	6.00%	(80,715)
Developers Profit				
	8,995,935	@	18.00%	(1,619,268)
TOTAL COSTS				(8,648,117)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	347,818

SENSITIVITY ANALYSIS						
	Values					
	347,818	80%	90%	100%	110%	120%
Construction Costs						
	90%	(484,292)	154,274	792,839	1,431,404	2,069,969
	95%	(706,802)	(68,237)	570,328	1,208,894	1,847,459
	100%	(929,313)	(290,748)	347,818	986,383	1,624,948
	105%	(1,151,824)	(513,258)	125,307	763,872	1,402,438
	110%	(1,374,334)	(735,769)	(97,204)	541,362	1,179,927

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

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LCR5.

ASSUMPTIONS			
Land Acquisition Value	350,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	0	#DIV/0!
1 Bed Apartment	0	0	#DIV/0!
2 Bed Apartment	0	0	#DIV/0!
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	160,000	4	26.7%
3 Bed houses	195,000	7	46.7%
4+ Bed houses	275,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,105,000
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(279,450)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(93,150)
GROSS DEVELOPMENT VALUE			2,732,400

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(360,210)
SDLT	360,210	@	Rate (7,510)
Acquisition Agent fees	360,210	@	1% (3,602)
Acquisition Legal fees	360,210	@	0.5% (1,801)
Initial Payments -			
Statutory Planning Fees			6,930
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	0 per acre -
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	113.17 psf -
Apartment Build Costs	-	sqft @	114.46 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	3% (41,242)
Professional Fees	1,415,972	@	9% (127,438)
Disposal Costs -			
Sale Agents Costs	2,732,400	GDV @	1.00% (27,324)
Sale Legal Costs	2,732,400	GDV @	0.50% (13,662)
Marketing and Promotion (1)	2,732,400	GDV @	2.50% (68,310)
Finance Costs -			
Finance Fees	2,018,899	@	1.00% (20,189)
Interest allowance (land) (2)	24	months @	6.50% (48,506)
Interest allowance (build) (3)	3	months @	6.50% (24,968)
Developers Profit	2,732,400	@	18.00% (491,832)
TOTAL COSTS			(2,604,394)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	128,006

SENSITIVITY ANALYSIS						
	Values					
	128,006	80%	90%	100%	110%	120%
Construction Costs	90%	(139,637)	73,381	286,399	499,416	712,434
	95%	(218,833)	(5,816)	207,202	420,220	633,238
	100%	(298,030)	(85,012)	128,006	341,024	554,042
	105%	(377,226)	(164,208)	48,810	261,828	474,846
	110%	(456,422)	(243,404)	(30,386)	182,632	395,649

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

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LCR5a.

ASSUMPTIONS			
Land Acquisition Value	350,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	0	#DIV/0!
1 Bed Apartment	0	0	#DIV/0!
2 Bed Apartment	0	0	#DIV/0!
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	160,000	4	26.7%
3 Bed houses	195,000	7	46.7%
4+ Bed houses	275,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,105,000
/less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(279,450)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(93,150)
GROSS DEVELOPMENT VALUE			2,732,400

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(360,210)
SDLT	360,210	@	Rate (7,510)
Acquisition Agent fees	360,210	@	1% (3,602)
Acquisition Legal fees	360,210	@	0.5% (1,801)
Initial Payments -			
Statutory Planning Fees			6,930
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	0 per acre -
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	113.17 psf -
Apartment Build Costs	-	sqft @	114.46 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	3% (41,242)
M4(2) Allowance for 20% of units	3	@	1000.00 per unit (3,000)
Professional Fees	1,415,972	@	9% (127,438)
Disposal Costs -			
Sale Agents Costs	2,732,400	GDV @	1.00% (27,324)
Sale Legal Costs	2,732,400	GDV @	0.50% (13,662)
Marketing and Promotion (1)	2,732,400	GDV @	2.50% (68,310)
Finance Costs -			
Finance Fees	2,021,899	@	1.00% (20,219)
Interest allowance (land) (2)	24	months @	6.50% (48,506)
Interest allowance (build) (3)	3	months @	6.50% (25,017)
Developers Profit	2,732,400	@	18.00% (491,832)
TOTAL COSTS			(2,607,473)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	124,927

SENSITIVITY ANALYSIS						
	Values					
	124,927	80%	90%	100%	110%	120%
Construction Costs	90% (142,716)	70,302	283,320	496,338	709,356	
	95% (221,912)	(8,894)	204,124	417,141	630,159	
	100% (301,108)	(88,091)	124,927	337,945	550,963	
	105% (380,305)	(167,287)	45,731	258,749	471,767	
	110% (459,501)	(246,483)	(33,465)	179,553	392,571	

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR5b.

ASSUMPTIONS			
Land Acquisition Value	350,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	164,688	4	26.7%
3 Bed houses	219,000	7	46.7%
4+ Bed houses	282,352	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,321,160
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(298,904)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(99,635)
GROSS DEVELOPMENT VALUE			2,922,621

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(382,264)
SDLT	382,264	@	Rate (8,613)
Acquisition Agent fees	382,264	@	1% (3,823)
Acquisition Legal fees	382,264	@	0.5% (1,911)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	0 per acre -
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	3% (44,144)
Professional Fees	1,515,628	@	9% (136,406)
Disposal Costs -			
Sale Agents Costs	2,922,621	GDV @	1.00% (29,226)
Sale Legal Costs	2,922,621	GDV @	0.50% (14,613)
Marketing and Promotion (1)	2,922,621	GDV @	2.50% (73,066)
Finance Costs -			
Finance Fees	2,172,480	@	1.00% (21,725)
Interest allowance (land) (2)	24	months @	6.50% (51,559)
Interest allowance (build) (3)	3	months @	6.50% (26,958)
Developers Profit	2,922,621	@	18.00% (526,072)
TOTAL COSTS			(2,798,794)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	123,827

SENSITIVITY ANALYSIS						
	Values					
	123,827	80%	90%	100%	110%	120%
Construction Costs	90%	(162,328)	65,520	293,367	521,215	749,062
	95%	(247,098)	(19,250)	208,597	436,445	664,292
	100%	(331,868)	(104,020)	123,827	351,675	579,522
	105%	(416,638)	(188,790)	39,057	266,905	494,752
	110%	(501,408)	(273,560)	(45,713)	182,135	409,982

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR5c.

ASSUMPTIONS			
Land Acquisition Value	350,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	164,688	4	26.7%
3 Bed houses	219,000	7	46.7%
4+ Bed houses	282,352	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,321,160
/less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(298,904)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(99,635)
GROSS DEVELOPMENT VALUE			2,922,621

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(382,264)
SDLT	382,264	@	Rate (8,613)
Acquisition Agent fees	382,264	@	1% (3,823)
Acquisition Legal fees	382,264	@	0.5% (1,911)
Initial Payments -			
Statutory Planning Fees			6,930
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	0 per acre -
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	113.17 psf -
Apartment Build Costs	-	sqft @	114.46 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	3% (44,144)
M4(2) Allowance for 20% of units	3	@	1000.00 per unit (3,000)
Professional Fees	1,515,628	@	9% (136,406)
Disposal Costs -			
Sale Agents Costs	2,922,621	GDV @	1.00% (29,226)
Sale Legal Costs	2,922,621	GDV @	0.50% (14,613)
Marketing and Promotion (1)	2,922,621	GDV @	2.50% (73,066)
Finance Costs -			
Finance Fees	2,161,620	@	1.00% (21,616)
Interest allowance (land) (2)	24	months @	6.50% (51,559)
Interest allowance (build) (3)	3	months @	6.50% (26,782)
Developers Profit	2,922,621	@	18.00% (526,072)
TOTAL COSTS			(2,787,649)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	134,972

SENSITIVITY ANALYSIS						
	Values					
	134,972	80%	90%	100%	110%	120%
Construction Costs	90%	(151,183)	76,665	304,512	532,360	760,207
	95%	(235,953)	(8,105)	219,742	447,590	675,437
	100%	(320,723)	(92,875)	134,972	362,820	590,667
	105%	(405,493)	(177,645)	50,202	278,050	505,897
	110%	(490,263)	(262,415)	(34,568)	193,280	421,127

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

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LCR6.

ASSUMPTIONS			
Land Acquisition Value	300,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	160,000	4	26.7%
3 Bed houses	195,000	7	46.7%
4+ Bed houses	275,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,105,000
less			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(186,300)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(62,100)
GROSS DEVELOPMENT VALUE			2,856,600

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(308,751)
SDLT	308,751	@	Rate (4,937)
Acquisition Agent fees	308,751	@	1% (3,088)
Acquisition Legal fees	308,751	@	0.5% (1,544)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	110,000 per acre (133,187)
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	5% (68,737)
Professional Fees	1,576,654	@	10% (157,665)
Disposal Costs -			
Sale Agents Costs	2,856,600	GDV @	1.00% (28,566)
Sale Legal Costs	2,856,600	GDV @	0.50% (14,283)
Marketing and Promotion (1)	2,856,600	GDV @	2.50% (71,415)
Finance Costs -			
Finance Fees	2,173,833	@	1.00% (21,738)
Interest allowance (land) (2)	24	months @	6.50% (41,382)
Interest allowance (build) (3)	3	months @	6.50% (28,295)
Developers Profit	2,856,600	@	18.00% (514,188)
TOTAL COSTS			(2,779,436)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	77,164

SENSITIVITY ANALYSIS						
	Values					
	77,164	80%	90%	100%	110%	120%
Construction Costs						
	90%	(205,288)	17,413	240,113	462,814	685,514
	95%	(286,763)	(64,062)	158,638	381,339	604,040
	100%	(368,237)	(145,537)	77,164	299,864	522,565
	105%	(449,712)	(227,011)	(4,311)	218,390	441,090
	110%	(531,187)	(308,486)	(85,786)	136,915	359,615

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

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LCR6a.

ASSUMPTIONS			
Land Acquisition Value	300,000	per acre	
Developers Profit	20.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	160,000	4	26.7%
3 Bed houses	195,000	7	46.7%
4+ Bed houses	275,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,105,000
<i>less</i>			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(186,300)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(62,100)
GROSS DEVELOPMENT VALUE			2,856,600

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(308,751)
SDLT	308,751	@	Rate (4,937)
Acquisition Agent fees	308,751	@	1% (3,088)
Acquisition Legal fees	308,751	@	0.5% (1,544)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	110,000 per acre (133,187)
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	5% (68,737)
M4(2) Allowance for 20% of units	3	@	1000.00 per unit (3,000)
Professional Fees	1,579,654	@	10% (157,965)
Disposal Costs -			
Sale Agents Costs	2,856,600	GDV @	1.00% (28,566)
Sale Legal Costs	2,856,600	GDV @	0.50% (14,283)
Marketing and Promotion (1)	2,856,600	GDV @	2.50% (71,415)
Finance Costs -			
Finance Fees	2,177,133	@	1.00% (21,771)
Interest allowance (land) (2)	24	months @	6.50% (41,382)
Interest allowance (build) (3)	3	months @	6.50% (28,349)
Developers Profit	2,856,600	@	18.00% (514,188)
TOTAL COSTS			(2,782,823)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	73,777

SENSITIVITY ANALYSIS						
	Values					
	73,777	80%	90%	100%	110%	120%
Construction Costs	90%	(208,675)	14,026	236,727	459,427	682,128
	95%	(290,149)	(67,449)	155,252	377,952	600,653
	100%	(371,624)	(148,923)	73,777	296,478	519,178
	105%	(453,099)	(230,398)	(7,698)	215,003	437,704
	110%	(534,573)	(311,873)	(89,172)	133,528	356,229

NOTES	
(1)	marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.
(2)	interest on land throughout the period
(3)	interest on buildings based on build one - sell one unit per month
(4)	a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate
(4)	a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.

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LCR6b.

ASSUMPTIONS			
Land Acquisition Value	300,000	per acre	
Developers Profit	20.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	164,688	4	26.7%
3 Bed houses	219,000	7	46.7%
4+ Bed houses	282,352	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,321,160
less			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(199,270)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(66,423)
GROSS DEVELOPMENT VALUE			3,055,467

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(327,655)
SDLT	327,655	@	Rate (5,882)
Acquisition Agent fees	327,655	@	1% (3,277)
Acquisition Legal fees	327,655	@	0.5% (1,638)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	110,000 per acre (141,341)
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	5% (73,574)
Professional Fees	1,686,399	@	10% (168,640)
Disposal Costs -			
Sale Agents Costs	3,055,467	GDV @	1.00% (30,555)
Sale Legal Costs	3,055,467	GDV @	0.50% (15,277)
Marketing and Promotion (1)	3,055,467	GDV @	2.50% (76,387)
Finance Costs -			
Finance Fees	2,322,639	@	1.00% (23,226)
Interest allowance (land) (2)	24	months @	6.50% (43,999)
Interest allowance (build) (3)	3	months @	6.50% (30,257)
Developers Profit	3,055,467	@	18.00% (549,984)
TOTAL COSTS			(2,970,105)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	85,363

SENSITIVITY ANALYSIS						
	Values					
	85,363	80%	90%	100%	110%	120%
Construction Costs						
	90%	(216,628)	21,576	259,780	497,964	736,189
	95%	(303,837)	(65,633)	172,571	410,776	648,980
	100%	(391,046)	(152,842)	85,363	323,567	561,771
	105%	(478,255)	(240,051)	(1,846)	236,358	474,562
	110%	(565,464)	(327,259)	(89,055)	149,149	387,353

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

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LCR6c.

ASSUMPTIONS			
Land Acquisition Value	300,000	per acre	
Developers Profit	20.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	164,688	4	26.7%
3 Bed houses	219,000	7	46.7%
4+ Bed houses	282,352	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,321,160
<i>less</i>			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(199,270)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(66,423)
GROSS DEVELOPMENT VALUE			3,055,467

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(327,655)
SDLT	327,655	@	Rate (5,882)
Acquisition Agent fees	327,655	@	1% (3,277)
Acquisition Legal fees	327,655	@	0.5% (1,638)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	110,000 per acre (141,341)
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	5% (73,574)
M4(2) Allowance for 20% of units	3	@	1000.00 per unit (3,000)
Professional Fees	1,689,399	@	10% (168,940)
Disposal Costs -			
Sale Agents Costs	3,055,467	GDV @	1.00% (30,555)
Sale Legal Costs	3,055,467	GDV @	0.50% (15,277)
Marketing and Promotion (1)	3,055,467	GDV @	2.50% (76,387)
Finance Costs -			
Finance Fees	2,325,939	@	1.00% (23,259)
Interest allowance (land) (2)	24	months @	6.50% (43,999)
Interest allowance (build) (3)	3	months @	6.50% (30,311)
Developers Profit	3,055,467	@	18.00% (549,984)
TOTAL COSTS			(2,973,491)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	81,976

SENSITIVITY ANALYSIS						
	Values					
	81,976	80%	90%	100%	110%	120%
Construction Costs	90%	(220,015)	18,189	256,394	494,598	732,802
	95%	(307,224)	(69,019)	169,185	407,389	645,593
	100%	(394,433)	(156,228)	81,976	320,180	558,384
	105%	(481,641)	(243,437)	(5,233)	232,971	471,176
	110%	(568,850)	(330,646)	(92,442)	145,762	383,967

NOTES	
(1)	marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.
(2)	interest on land throughout the period
(3)	interest on buildings based on build one - sell one unit per month
(4)	a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate
(4)	a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL

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LCR7.

ASSUMPTIONS			
Land Acquisition Value	350,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.20	hectares	0.49 acres
Net Site Area	0.17	hectares	0.42 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIa (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	0	#DIV/0!
1 Bed Apartment	0	0	#DIV/0!
2 Bed Apartment	0	0	#DIV/0!
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	160,000	1	16.7%
3 Bed houses	195,000	3	50.0%
4+ Bed houses	275,000	2	33.3%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		6	100%
			1,295,000
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			1,295,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.17	ha	0.42 acres
Site Purchase Price			(147,025)
SDLT	147,025	@	Rate
Acquisition Agent fees	147,025	@	1%
Acquisition Legal fees	147,025	@	0.5%
Initial Payments -			
Statutory Planning Fees			(2,772)
Construction Costs -			
Demolition and Site Clearance (allowance)	0.42	acres (gross) @	0 per acre
Houses Build Costs	5,972	sqft @	92.00 psf
Bungalow Build Costs	-	sqft @	0.00 psf
Apartment Build Costs	-	sqft @	0.00 psf
External works inc. utilities reinforcement (allowance)	549,424	@	10%
Contingency	604,366	@	5%
Professional Fees	634,585	@	10%
Disposal Costs -			
Sale Agents Costs	1,295,000	GDV @	1.00%
Sale Legal Costs	1,295,000	GDV @	0.50%
Marketing and Promotion (1)	1,295,000	GDV @	2.50%
Finance Costs -			
Finance Fees	901,845	@	1.00%
Interest allowance (land) (2)	24	months @	6.50%
Interest allowance (build) (3)	3	months @	6.50%
Developers Profit	1,295,000	@	18.00%
TOTAL COSTS			(1,174,752)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	120,248

SENSITIVITY ANALYSIS						
	Values					
	120,248	80%	90%	100%	110%	120%
Construction Costs		(10,031)	90,927	191,885	292,843	393,801
		(45,850)	55,109	156,067	257,025	357,983
		(81,668)	19,290	120,248	221,207	322,165
		(117,486)	(16,528)	84,430	185,388	286,346
		(153,305)	(52,347)	48,612	149,570	250,528

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR8.

ASSUMPTIONS			
Land Acquisition Value	300,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.20	hectares	0.49 acres
Net Site Area	0.17	hectares	0.42 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	36.00	units per hectare	

VALUES			
	£	# units	
2 Bed houses	160,000	1	16.7%
3 Bed houses	195,000	3	50.0%
4+ Bed houses	275,000	2	33.3%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		6	100%
			1,295,000
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			1,295,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.17	ha	0.42 acres
Site Purchase Price			(126,021)
SDLT	126,021	@	Rate
Acquisition Agent fees	126,021	@	1%
Acquisition Legal fees	126,021	@	0.5%
Initial Payments -			
Statutory Planning Fees			(2,772)
Construction Costs -			
Demolition and Site Clearance (allowance)	0.49	acres (gross) @	110,000 per acre
Houses Build Costs	5,972	sqft @	92.00 psf
Bungalow Build Costs	-	sqft @	0.00 psf
Apartment Build Costs	-	sqft @	0.00 psf
External works inc. utilities reinforcement (allowance)	549,424	@	10%
Contingency	604,366	@	5%
Professional Fees	688,947	@	10%
Disposal Costs -			
Sale Agents Costs	1,295,000	GDV @	1.00%
Sale Legal Costs	1,295,000	GDV @	0.50%
Marketing and Promotion (1)	1,295,000	GDV @	2.50%
Finance Costs -			
Finance Fees	940,325	@	1.00%
Interest allowance (land) (2)	24	months @	6.50%
Interest allowance (build) (3)	3	months @	6.50%
Developers Profit	1,295,000	@	18.00%
TOTAL COSTS			(1,211,816)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	83,184

SENSITIVITY ANALYSIS						
	Values					
	83,184	80%	90%	100%	110%	120%
Construction Costs		(47,096)	53,862	154,820	255,778	356,737
		(82,914)	18,044	119,002	219,960	320,918
		(118,733)	(17,775)	83,184	184,142	285,100
		(154,551)	(53,593)	47,365	148,323	249,282
		(190,369)	(89,411)	11,547	112,505	213,463

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR9.

ASSUMPTIONS				
Land Acquisition Value	600,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.26	hectares	3.11	acres
Net Site Area	1.07	hectares	2.65	acres
Gross to Net Ratio	0.85			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	700		700	100.0%
1 Bed Apartment	538		633	85.0%
2 Bed Apartment	646		760	85.0%
Residential density per ha	80.00	units per hectare		

VALUES				
	£	# units		
2 Bed houses	160,000	0	0.0%	-
3 Bed houses	195,000	0	0.0%	-
4+ Bed houses	275,000	0	0.0%	-
2 Bed Bungalow	175,000	0	0.0%	-
1 Bed Apartment	115,132	50	50.0%	5,756,600
2 Bed Apartment	137,598	50	50.0%	6,879,900
		100	100%	12,636,500
less				
Affordable Housing (total)	0%			-
(of which) Social Rented	50%	60% discount from MV		-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		-
GROSS DEVELOPMENT VALUE				12,636,500

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.07	ha	2.65	acres
Site Purchase Price				(1,587,865)
SDLT	1,587,865	@	Rate	(68,893)
Acquisition Agent fees	1,587,865	@	1%	(15,879)
Acquisition Legal fees	1,587,865	@	0.5%	(7,939)
Initial Payments -				
Statutory Planning Fees				(36,659)
Construction Costs -				
Demolition and Site Clearance (allowance)	3.11	acres (gross) @	0	per acre
Houses Build Costs	-	sqft @	72.00	psf
Bungalow Build Costs	-	sqft @	113.17	psf
Apartment Build Costs	69,650	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	7,972,139	@	10%	(797,214)
Contingency	8,769,353	@	5%	(438,468)
Professional Fees	9,207,821	@	9%	(828,704)
Disposal Costs -				
Sale Agents Costs	12,636,500	GDV @	1.00%	(126,365)
Sale Legal Costs	12,636,500	GDV @	0.50%	(63,183)
Marketing and Promotion (1)	12,636,500	GDV @	3.00%	(379,095)
Finance Costs -				
Finance Fees	12,322,401	@	1.00%	(123,224)
Interest allowance (land) (2)	24	months @	6.00%	(201,669)
Interest allowance (build) (3)	9	months @	6.00%	(453,293)
Developers Profit	12,636,500	@	18.00%	(2,274,570)
TOTAL COSTS				(15,375,158)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	(2,738,658)

SENSITIVITY ANALYSIS						
	Values					
	(2,738,658)	80%	90%	100%	110%	120%
Construction Costs	90%	(3,637,325)	(2,658,565)	(1,679,804)	(701,044)	277,710
	95%	(4,166,751)	(3,187,991)	(2,209,231)	(1,230,471)	(251,711)
	100%	(4,696,178)	(3,717,418)	(2,738,658)	(1,759,898)	(781,138)
	105%	(5,225,605)	(4,246,845)	(3,268,084)	(2,289,324)	(1,310,564)
	110%	(5,755,031)	(4,776,271)	(3,797,511)	(2,818,751)	(1,839,991)

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Lancaster Sites v3

LCR10.

ASSUMPTIONS			
Land Acquisition Value	600,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.74	hectares	1.83 acres
Net Site Area	0.63	hectares	1.55 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIa (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	80.00	units per hectare	

VALUES				
	£	# units		
2 Bed houses	160,000	0	0.0%	-
3 Bed houses	195,000	0	0.0%	-
4+ Bed houses	275,000	0	0.0%	-
2 Bed Bungalow	175,000	0	0.0%	-
1 Bed Apartment	115,132	25	50.0%	2,878,300
2 Bed Apartment	137,598	25	50.0%	3,439,950
		50	100%	6,318,250
less				
Affordable Housing (total)	0%			
(of which) Social Rented	50%	60% discount from MV		-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		-
GROSS DEVELOPMENT VALUE				6,318,250

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.63	ha	1.55	acres
Site Purchase Price				(932,555)
SDLT	932,555	@	Rate	(36,127)
Acquisition Agent fees	932,555	@	1%	(9,326)
Acquisition Legal fees	932,555	@	0.5%	(4,663)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	1.83	acres (gross) @	0	per acre
Houses Build Costs	-	sqft @	72.00	psf
Bungalow Build Costs	-	sqft @	113.17	psf
Apartment Build Costs	34,825	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	3,986,070	@	10%	(398,607)
Contingency	4,384,676	@	5%	(219,234)
Professional Fees	4,603,910	@	9%	(414,352)
Disposal Costs -				
Sale Agents Costs	6,318,250	GDV @	1.00%	(63,183)
Sale Legal Costs	6,318,250	GDV @	0.50%	(31,591)
Marketing and Promotion (1)	6,318,250	GDV @	3.00%	(189,548)
Finance Costs -				
Finance Fees	6,308,354	@	1.00%	(63,084)
Interest allowance (land) (2)	24	months @	6.00%	(117,920)
Interest allowance (build) (3)	9	months @	6.00%	(226,861)
Developers Profit	6,318,250	@	18.00%	(1,137,285)
TOTAL COSTS				(7,853,505)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	(1,535,255)

SENSITIVITY ANALYSIS						
	Values					
	(1,535,255)	80%	90%	100%	110%	120%
Construction Costs	90%	(1,984,588)	(1,495,208)	(1,005,828)	(516,448)	(27,068)
	95%	(2,249,301)	(1,759,921)	(1,270,541)	(781,161)	(291,781)
	100%	(2,514,015)	(2,024,635)	(1,535,255)	(1,045,874)	(556,494)
	105%	(2,778,728)	(2,289,348)	(1,799,968)	(1,310,588)	(821,208)
	110%	(3,043,441)	(2,554,061)	(2,064,681)	(1,575,301)	(1,085,921)

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

LCR11.

ASSUMPTIONS			
Land Acquisition Value	600,000 per acre		
Developers Profit	18.0% on costs		
	NIA (sqft)	GIA (sqft)	Net to Gross %
Commercial	0	0	#DIV/0!
2 Bed Apartments (50 no.)	32,300	38,000	85.0%
1 Bed Apartments (50 no.)	26,900	31,650	85.0%
total floor area	59,200	69,650	85.0%
Site density	80 dwellings per hectare		

VALUES				
Commercial	- @	0.00 psf	-	
2 Bed Apartments	32,300 @	20.00 psf	646,000	
1 Bed Apartments	26,900 @	20.00 psf	538,000	
less				
management and maintenance	- @	0.0%	-	
			-	
Estimated Gross Rental Value per annum			1,184,000	
Yield	@	6.5%		
capitalised rent			18,215,385	
less				
Rent Free / Void allowance	0 months rent		-	
Purchasers costs	@	5.76%	(992,063)	17,223,321

DEVELOPMENT COSTS				
Site Acquisition -				
Site Area	1,270	ha	3.14	acres
Site Purchase Price				(1,882,902)
SDLT	1,882,902	@	Rate	(83,645)
Acquisition Agent fees	1,882,902	@	1%	(18,829)
Acquisition Legal fees	1,882,902	@	0.5%	(9,415)
Initial Payments -				
Statutory Planning Fees				5,775
Construction Costs -				
Demolition and Site Clearance (allowance)	3.68	acres @	110,000	per acre (404,800)
Build Costs	-	sqft @	114.46	psf -
Build Costs	38,000	sqft @	114.46	psf (4,349,480)
Build Costs	31,650	sqft @	114.46	psf (3,622,659)
External works inc. utilities reinforcement (allowance)	7,972,139	@	10%	(797,214)
Contingency	8,769,353	@	5%	(438,468)
Professional Fees	9,612,621	@	9%	(865,136)
Disposal Costs -				
Letting Agents Costs	1,184,000	ERV @	10.00%	(118,400)
Letting Legal Costs	1,184,000	ERV @	5.00%	(59,200)
Investment Sale Agents Costs	17,223,321	GDV @	1.00%	(172,233)
Investment Sale Legal Costs	17,223,321	GDV @	0.50%	(86,117)
Marketing and Promotion	17,223,321	GDV @	3.00%	(516,700)
Finance Costs -				
Finance Fees	13,419,421	@	1.00%	(134,194)
Interest allowance (build and land) (1)	12	months @	6.00%	(402,583)
Developers Profit	13,956,198	@	18.00%	(2,512,116)

S106 / CIL

SENSITIVITY ANALYSIS						
	Values					
	755,007	80%	90%	100%	110%	120%
Construction Costs	90%	(1,165,097)	462,121	2,089,339	3,716,557	5,343,775
	95%	(1,780,938)	(153,720)	1,473,498	3,100,716	4,727,934
	100%	(2,396,780)	(769,562)	857,657	2,484,875	4,112,093
	105%	(3,012,621)	(1,385,403)	241,815	1,869,033	3,496,252
	110%	(3,628,462)	(2,001,244)	(374,026)	1,253,192	2,880,410

LCR12.

ASSUMPTIONS			
Land Acquisition Value	600,000 per acre		
Developers Profit	18.0% on costs		
	NIA (sqft)	GIA (sqft)	Net to Gross %
	0	0	#DIV/0!
	0	0	#DIV/0!
Studio Apartments (260 no.)	46,800	54,860	85.3%
total floor area	46,800	54,860	85.3%
Site density	206 dwellings per hectare		

VALUES				
	- @	0.00 psf	-	
	- @	20.00 psf		
Studio Apartments	46,800 @	20.00 psf	936,000	
less				
management and maintenance	- @	0.0%	-	
			-	
Estimated Gross Rental Value per annum			936,000	
Yield	@	6.5%		
capitalised rent			14,400,000	
less				
Rent Free / Void allowance	0 months rent		-	
Purchasers costs	@	5.76%	(784,266)	13,615,734

DEVELOPMENT COSTS				
Site Acquisition -				
Site Area	1,270	ha	3.14	acres
Site Purchase Price				(1,882,902)
SDLT	1,882,902	@	Rate	(83,645)
Acquisition Agent fees	1,882,902	@	1%	(18,829)
Acquisition Legal fees	1,882,902	@	0.5%	(9,415)
Initial Payments -				
Statutory Planning Fees				5,775
Construction Costs -				
Demolition and Site Clearance (allowance)	3.68	acres @	110,000	per acre (404,800)
Build Costs	-	sqft @	114.46	psf -
Build Costs	-	sqft @	114.46	psf -
Build Costs	54,860	sqft @	114.46	psf (6,279,276)
External works inc. utilities reinforcement (allowance)	6,279,276	@	10%	(627,928)
Contingency	6,907,203	@	5%	(345,360)
Professional Fees	7,657,363	@	9%	(689,163)
Disposal Costs -				
Letting Agents Costs	936,000	ERV @	10.00%	(93,600)
Letting Legal Costs	936,000	ERV @	5.00%	(46,800)
Investment Sale Agents Costs	13,615,734	GDV @	1.00%	(136,157)
Investment Sale Legal Costs	13,615,734	GDV @	0.50%	(68,079)
Marketing and Promotion	13,615,734	GDV @	3.00%	(408,472)
Finance Costs -				
Finance Fees	11,088,650	@	1.00%	(110,886)
Interest allowance (build and land) (1)	12	months @	6.00%	(332,659)
Developers Profit	11,532,196	@	18.00%	(2,075,795)

S106 / CIL

SENSITIVITY ANALYSIS						
		Values				
	7.743	80%	90%	100%	110%	120%
Construction Costs	90%	(1,492,234)	(205,852)	1,080,530	2,366,912	3,853,294
	95%	(1,977,303)	(690,921)	595,461	1,881,843	3,168,225
	100%	(2,462,372)	(1,175,990)	110,392	1,396,774	2,683,156
	105%	(2,947,440)	(1,661,059)	(374,677)	911,705	2,198,087
	110%	(3,432,509)	(2,146,127)	(859,746)	426,636	1,713,018

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH1.

ASSUMPTIONS				
Land Acquisition Value	275,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	6.58	hectares	16.26	acres
Net Site Area	3.95	hectares	9.76	acres
Gross to Net Ratio	0.60			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	700		700	100.0%
1 Bed Apartment	538		633	85.0%
2 Bed Apartment	646		760	85.0%
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	152,000	38	25.3%	5,776,000
3 Bed houses	186,000	46	30.7%	8,556,000
4+ Bed houses	261,000	38	25.3%	9,918,000
2 Bed Bungalow	168,000	14	9.3%	2,352,000
1 Bed Apartment	110,000	7	4.7%	770,000
2 Bed Apartment	131,500	7	4.7%	920,500
		150	100%	28,292,500
less				
Affordable Housing (total)	30%			
(of which) Social Rented	50%	60% discount from MV		(2,546,325)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(848,775)
GROSS DEVELOPMENT VALUE				24,897,400

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	3.95	ha	9.76	acres
Site Purchase Price				(2,682,765)
SDLT	2,682,765	@	Rate	(123,638)
Acquisition Agent fees	2,682,765	@	1%	(26,828)
Acquisition Legal fees	2,682,765	@	0.5%	(13,414)
Initial Payments -				
Statutory Planning Fees				(43,559)
Construction Costs -				
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	0	per acre
Houses Build Costs	117,710	sqft @	75.00	psf
Bungalow Build Costs	9,800	sqft @	113.17	psf
Apartment Build Costs	9,751	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	11,053,415	@	20%	
Contingency	13,264,099	@	3%	
Professional Fees	13,595,701	@	8%	(1,087,656)
Disposal Costs -				
Sale Agents Costs	24,897,400	GDV @	1.00%	(248,974)
Sale Legal Costs	24,897,400	GDV @	0.50%	(124,487)
Marketing and Promotion (1)	24,897,400	GDV @	2.50%	(622,435)
Finance Costs -				
Finance Fees	18,569,456	@	1.00%	(185,695)
Interest allowance (land) (2)	24	months @	6.00%	(341,597)
Interest allowance (build) (3)	3	months @	6.00%	(220,904)
Developers Profit	24,897,400	@	18.00%	(4,481,532)
TOTAL COSTS				(23,799,184)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	1,098,216

SENSITIVITY ANALYSIS						
	Values					
	1,098,216	80%	90%	100%	110%	120%
Construction Costs	90%	(1,107,037)	672,606	2,452,249	4,231,892	6,011,534
	95%	(1,784,053)	(4,410)	1,775,232	3,554,875	5,334,518
	100%	(2,461,070)	(681,427)	1,098,216	2,877,859	4,657,502
	105%	(3,138,086)	(1,358,443)	421,200	2,200,843	3,980,485
	110%	(3,815,102)	(2,035,459)	(255,816)	1,523,826	3,303,469

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

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CFH1a.

ASSUMPTIONS			
Land Acquisition Value	275,000	per net acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.58	hectares	16.26 acres
Net Site Area	3.95	hectares	9.76 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	152,000	38	25.3%
3 Bed houses	186,000	46	30.7%
4+ Bed houses	261,000	38	25.3%
2 Bed Bungalow	168,000	14	9.3%
1 Bed Apartment	110,000	7	4.7%
2 Bed Apartment	131,500	7	4.7%
		150	100%
			28,292,500
<i>less</i>			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(2,546,325)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(848,775)
GROSS DEVELOPMENT VALUE			24,897,400

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	3.95	ha	9.76 acres
Site Purchase Price			(2,682,765)
SDLT	2,682,765	@	Rate (123,638)
Acquisition Agent fees	2,682,765	@	1% (26,828)
Acquisition Legal fees	2,682,765	@	0.5% (13,414)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	0 per acre -
Houses Build Costs	117,710	sqft @	75.00 psf (8,828,250)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,053,415	@	20% (2,210,683)
Contingency	13,264,099	@	3% (397,923)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	13,692,022	@	8% (1,095,362)
Disposal Costs -			
Sale Agents Costs	24,897,400	GDV @	1.00% (248,974)
Sale Legal Costs	24,897,400	GDV @	0.50% (124,487)
Marketing and Promotion (1)	24,897,400	GDV @	2.50% (622,435)
Finance Costs -			
Finance Fees	18,673,482	@	1.00% (186,735)
Interest allowance (land) (2)	24	months @	6.00% (341,597)
Interest allowance (build) (3)	3	months @	6.00% (222,464)
Developers Profit	24,897,400	@	18.00% (4,481,532)
TOTAL COSTS			(23,905,811)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	991,589

SENSITIVITY ANALYSIS						
	Values					
	991,589	80%	90%	100%	110%	120%
Construction Costs	90%	(1,207,059)	572,584	2,352,227	4,131,870	5,911,513
	95%	(1,887,377)	(107,735)	1,671,908	3,451,551	5,231,194
	100%	(2,567,696)	(788,053)	991,589	2,771,232	4,550,875
	105%	(3,248,015)	(1,468,372)	311,271	2,090,913	3,870,556
	110%	(3,928,334)	(2,148,691)	(369,048)	1,410,595	3,190,237

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH1b.

ASSUMPTIONS			
Land Acquisition Value	275,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.94	hectares	17.15 acres
Net Site Area	4.16	hectares	10.29 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	652	85.0%
2 Bed Apartment	678	798	85.0%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	156,500	38	25.3%
3 Bed houses	209,000	46	30.7%
4+ Bed houses	268,000	38	25.3%
2 Bed Bungalow	168,000	14	9.3%
1 Bed Apartment	113,363	7	4.7%
2 Bed Apartment	138,000	7	4.7%
		150	100%
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(2,687,089)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(895,696)
GROSS DEVELOPMENT VALUE			26,273,756

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	4.16	ha	10.29 acres
Site Purchase Price			(2,829,542)
SDLT	2,829,542	@	Rate (130,977)
Acquisition Agent fees	2,829,542	@	1% (28,295)
Acquisition Legal fees	2,829,542	@	0.5% (14,148)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	17.15	acres (gross) @	0 per acre -
Houses Build Costs	124,998	sqft @	75.00 psf (9,374,850)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	10,150	sqft @	114.46 psf (1,161,769)
External works inc. utilities reinforcement (allowance)	11,645,685	@	20% (2,329,137)
Contingency	13,974,822	@	3% (419,245)
Professional Fees	14,394,067	@	8% (1,151,525)
Disposal Costs -			
Sale Agents Costs	26,273,756	GDV @	1.00% (262,738)
Sale Legal Costs	26,273,756	GDV @	0.50% (131,369)
Marketing and Promotion (1)	26,273,756	GDV @	2.50% (656,844)
Finance Costs -			
Finance Fees	19,643,063	@	1.00% (196,431)
Interest allowance (land) (2)	24	months @	6.00% (360,355)
Interest allowance (build) (3)	3	months @	6.00% (233,837)
Developers Profit	26,273,756	@	18.00% (4,729,276)
TOTAL COSTS			(25,162,963)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	1,110,793

SENSITIVITY ANALYSIS						
	Values					
	1,110,793	80%	90%	100%	110%	120%
Construction Costs	90%	(1,221,419)	665,525	2,552,468	4,439,412	6,326,355
	95%	(1,942,256)	(55,313)	1,831,631	3,718,574	5,605,518
	100%	(2,663,094)	(776,150)	1,110,793	2,997,737	4,884,680
	105%	(3,383,931)	(1,496,988)	389,956	2,276,899	4,163,843
	110%	(4,104,769)	(2,217,825)	(330,882)	1,556,062	3,443,005

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH1c.

ASSUMPTIONS			
Land Acquisition Value	275,000	per net acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.94	hectares	17.15 acres
Net Site Area	4.16	hectares	10.29 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	652	85.0%
2 Bed Apartment	678	798	85.0%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	156,500	38	25.3%
3 Bed houses	209,000	46	30.7%
4+ Bed houses	268,000	38	25.3%
2 Bed Bungalow	168,000	14	9.3%
1 Bed Apartment	113,363	7	4.7%
2 Bed Apartment	138,000	7	4.7%
		150	100%
			29,856,541
/less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(2,687,089)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(895,696)
GROSS DEVELOPMENT VALUE			26,273,756

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	4.16	ha	10.29 acres
Site Purchase Price			(2,829,542)
SDLT	2,829,542	@	Rate (130,977)
Acquisition Agent fees	2,829,542	@	1% (28,295)
Acquisition Legal fees	2,829,542	@	0.5% (14,148)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	17.15	acres (gross) @	0 per acre -
Houses Build Costs	124,998	sqft @	75.00 psf (9,374,850)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	10,150	sqft @	114.46 psf (1,161,769)
External works inc. utilities reinforcement (allowance)	11,645,685	@	20% (2,329,137)
Contingency	13,974,822	@	3% (419,245)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	14,424,067	@	8% (1,153,925)
Disposal Costs -			
Sale Agents Costs	26,273,756	GDV @	1.00% (262,738)
Sale Legal Costs	26,273,756	GDV @	0.50% (131,369)
Marketing and Promotion (1)	26,273,756	GDV @	2.50% (656,844)
Finance Costs -			
Finance Fees	19,675,463	@	1.00% (196,755)
Interest allowance (land) (2)	24	months @	6.00% (360,355)
Interest allowance (build) (3)	3	months @	6.00% (234,323)
Developers Profit	26,273,756	@	18.00% (4,729,276)
TOTAL COSTS			(25,196,173)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	1,077,583

SENSITIVITY ANALYSIS					
	Values				
	1,077,583	80%	90%	100%	110%
Construction Costs					120%
90%	(1,254,629)	632,315	2,519,258	4,406,202	6,293,146
95%	(1,975,466)	(88,523)	1,798,421	3,685,364	5,572,308
100%	(2,696,304)	(809,360)	1,077,583	2,964,527	4,851,470
105%	(3,417,141)	(1,530,198)	356,746	2,243,689	4,130,633
110%	(4,137,979)	(2,251,035)	(364,092)	1,522,852	3,409,795

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH2.

ASSUMPTIONS				
Land Acquisition Value	225,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	6.58	hectares	16.26	acres
Net Site Area	3.95	hectares	9.76	acres
Gross to Net Ratio	0.60			
	Net sales (sqft)	GIA (sqft)	Net to Gross %	
2 Bed houses	753	753	100.0%	
3 Bed houses	915	915	100.0%	
4+ Bed houses	1,237	1,237	100.0%	
2 Bed Bungalow	700	700	100.0%	
1 Bed Apartment	538	633	85.0%	
2 Bed Apartment	646	760	85.0%	
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	152,000	38	25.3%	5,776,000
3 Bed houses	186,000	46	30.7%	8,556,000
4+ Bed houses	261,000	38	25.3%	9,918,000
2 Bed Bungalow	168,000	14	9.3%	2,352,000
1 Bed Apartment	110,000	7	4.7%	770,000
2 Bed Apartment	131,500	7	4.7%	920,500
		150	100%	28,292,500
less				
Affordable Housing (total)	20%			
(of which) Social Rented	50%	60% discount from MV		(1,697,550)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(565,850)
GROSS DEVELOPMENT VALUE				26,029,100

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	3.95	ha	9.76	acres
Site Purchase Price				(2,194,989)
SDLT	2,194,989	@	Rate	(99,249)
Acquisition Agent fees	2,194,989	@	1%	(21,950)
Acquisition Legal fees	2,194,989	@	0.5%	(10,975)
Initial Payments -				
Statutory Planning Fees				(43,559)
Construction Costs -				
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	100,000 per acre	(1,625,918)
Houses Build Costs	117,710	sqft @	75.00 psf	(8,828,250)
Bungalow Build Costs	9,800	sqft @	113.17 psf	(1,109,066)
Apartment Build Costs	9,751	sqft @	114.46 psf	(1,116,099)
External works inc. utilities reinforcement (allowance)	11,053,415	@	20%	(2,210,683)
Contingency	13,264,099	@	5%	(663,205)
Professional Fees	15,553,221	@	9%	(1,399,790)
Disposal Costs -				
Sale Agents Costs	26,029,100	GDV @	1.00%	(260,291)
Sale Legal Costs	26,029,100	GDV @	0.50%	(130,146)
Marketing and Promotion (1)	26,029,100	GDV @	2.50%	(650,728)
Finance Costs -				
Finance Fees	20,364,898	@	1.00%	(203,649)
Interest allowance (land) (2)	24	months @	6.00%	(279,260)
Interest allowance (build) (3)	3	months @	6.00%	(254,949)
Developers Profit	26,029,100	@	18.00%	(4,685,238)
TOTAL COSTS				(25,787,993)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	241,107

SENSITIVITY ANALYSIS						
	Values					
	241,107	80%	90%	100%	110%	120%
Construction Costs	90%	(2,080,063)	(219,527)	1,641,008	3,501,544	5,362,080
	95%	(2,780,014)	(919,478)	941,058	2,801,593	4,662,129
	100%	(3,479,964)	(1,619,428)	241,107	2,101,643	3,962,179
	105%	(4,179,914)	(2,319,379)	(458,843)	1,401,693	3,262,228
	110%	(4,879,865)	(3,019,329)	(1,158,794)	701,742	2,562,278

NOTES	
(1)	marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.
(2)	interest on land throughout the period
(3)	interest on buildings based on build one - sell one unit per month
(4)	a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate
(4)	a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH2a.

ASSUMPTIONS			
Land Acquisition Value	225,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.58	hectares	16.26 acres
Net Site Area	3.95	hectares	9.76 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	152,000	38	25.3%
3 Bed houses	186,000	46	30.7%
4+ Bed houses	261,000	38	25.3%
2 Bed Bungalow	168,000	14	9.3%
1 Bed Apartment	110,000	7	4.7%
2 Bed Apartment	131,500	7	4.7%
		150	100%
			28,292,500
<i>less</i>			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(1,697,550)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(565,850)
GROSS DEVELOPMENT VALUE			26,029,100

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	3.95	ha	9.76 acres
Site Purchase Price			(2,194,989)
SDLT	2,194,989	@	Rate (99,249)
Acquisition Agent fees	2,194,989	@	1% (21,950)
Acquisition Legal fees	2,194,989	@	0.5% (10,975)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	100,000 per acre (1,625,918)
Houses Build Costs	117,710	sqft @	75.00 psf (8,828,250)
Bungalow Build Costs	9,800	sqft @	111.67 psf (1,094,366)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,038,715	@	20% (2,207,743)
Contingency	13,246,459	@	5% (662,323)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	15,564,699	@	9% (1,400,823)
Disposal Costs -			
Sale Agents Costs	26,029,100	GDV @	1.00% (260,291)
Sale Legal Costs	26,029,100	GDV @	0.50% (130,146)
Marketing and Promotion (1)	26,029,100	GDV @	2.50% (650,728)
Finance Costs -			
Finance Fees	20,377,409	@	1.00% (203,774)
Interest allowance (land) (2)	24	months @	6.00% (279,260)
Interest allowance (build) (3)	3	months @	6.00% (255,136)
Developers Profit	26,029,100	@	18.00% (4,685,238)
TOTAL COSTS			(25,800,816)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	228,284

SENSITIVITY ANALYSIS						
	Values					
	228,284	80%	90%	100%	110%	120%
Construction Costs	90%	(2,092,887)	(232,351)	1,628,184	3,488,720	5,349,256
	95%	(2,792,837)	(932,302)	928,234	2,788,770	4,649,305
	100%	(3,492,788)	(1,632,252)	228,284	2,088,819	3,949,355
	105%	(4,192,738)	(2,332,203)	(471,667)	1,388,869	3,249,404
	110%	(4,892,689)	(3,032,153)	(1,171,617)	688,918	2,549,454

NOTES	
(1)	marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.
(2)	interest on land throughout the period
(3)	interest on buildings based on build one - sell one unit per month
(4)	a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate
(4)	a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH2b.

ASSUMPTIONS			
Land Acquisition Value	225,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.94	hectares	17.15 acres
Net Site Area	4.16	hectares	10.29 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	633	87.5%
2 Bed Apartment	678	760	89.2%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	156,500	38	25.3%
3 Bed houses	209,000	46	30.7%
4+ Bed houses	268,000	38	25.3%
2 Bed Bungalow	168,000	14	9.3%
1 Bed Apartment	113,363	7	4.7%
2 Bed Apartment	138,000	7	4.7%
		150	100%
less			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(1,791,392)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(597,131)
GROSS DEVELOPMENT VALUE			27,468,018

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	4.16	ha	10.29 acres
Site Purchase Price			(2,315,080)
SDLT	2,315,080	@	Rate (105,254)
Acquisition Agent fees	2,315,080	@	1% (23,151)
Acquisition Legal fees	2,315,080	@	0.5% (11,575)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	17.15	acres (gross) @	100,000 per acre (1,714,874)
Houses Build Costs	124,998	sqft @	75.00 psf (9,374,850)
Bungalow Build Costs	9,800	sqft @	111.67 psf (1,094,366)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,585,315	@	20% (2,317,063)
Contingency	13,902,379	@	5% (695,119)
Professional Fees	16,312,371	@	9% (1,468,113)
Disposal Costs -			
Sale Agents Costs	27,468,018	GDV @	1.00% (274,680)
Sale Legal Costs	27,468,018	GDV @	0.50% (137,340)
Marketing and Promotion (1)	27,468,018	GDV @	2.50% (686,700)
Finance Costs -			
Finance Fees	21,377,825	@	1.00% (213,778)
Interest allowance (land) (2)	24	months @	6.00% (294,607)
Interest allowance (build) (3)	3	months @	6.00% (267,361)
Developers Profit	27,468,018	@	18.00% (4,944,243)
TOTAL COSTS			(27,097,814)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	370,204

SENSITIVITY ANALYSIS						
	Values					
	370,204	80%	90%	100%	110%	120%
Construction Costs	90%	(2,098,376)	(125,662)	1,847,051	3,819,765	5,792,479
	95%	(2,836,800)	(864,086)	1,108,628	3,081,341	5,054,055
	100%	(3,575,224)	(1,602,510)	370,204	2,342,917	4,315,631
	105%	(4,313,648)	(2,340,934)	(368,220)	1,604,494	3,577,207
	110%	(5,052,071)	(3,079,358)	(1,106,644)	866,070	2,838,783

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH2c.

ASSUMPTIONS			
Land Acquisition Value	225,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.94	hectares	17.15 acres
Net Site Area	4.16	hectares	10.29 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	633	87.5%
2 Bed Apartment	678	760	89.2%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	156,500	38	25.3%
3 Bed houses	209,000	46	30.7%
4+ Bed houses	268,000	38	25.3%
2 Bed Bungalow	168,000	14	9.3%
1 Bed Apartment	113,363	7	4.7%
2 Bed Apartment	138,000	7	4.7%
		150	100%
			29,856,541
<i>less</i>			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(1,791,392)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(597,131)
GROSS DEVELOPMENT VALUE			27,468,018

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	4.16	ha	10.29 acres
Site Purchase Price			(2,315,080)
SDLT	2,315,080	@	Rate (105,254)
Acquisition Agent fees	2,315,080	@	1% (23,151)
Acquisition Legal fees	2,315,080	@	0.5% (11,575)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	17.15	acres (gross) @	100,000 per acre (1,714,874)
Houses Build Costs	124,998	sqft @	75.00 psf (9,374,850)
Bungalow Build Costs	9,800	sqft @	111.67 psf (1,094,366)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,585,315	@	20% (2,317,063)
Contingency	13,902,379	@	5% (695,119)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	16,342,371	@	9% (1,470,813)
Disposal Costs -			
Sale Agents Costs	27,468,018	GDV @	1.00% (274,680)
Sale Legal Costs	27,468,018	GDV @	0.50% (137,340)
Marketing and Promotion (1)	27,468,018	GDV @	2.50% (686,700)
Finance Costs -			
Finance Fees	21,410,525	@	1.00% (214,105)
Interest allowance (land) (2)	24	months @	6.00% (294,607)
Interest allowance (build) (3)	3	months @	6.00% (267,851)
Developers Profit	27,468,018	@	18.00% (4,944,243)
TOTAL COSTS			(27,131,332)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	336,686

SENSITIVITY ANALYSIS						
	Values					
	336,686	80%	90%	100%	110%	120%
Construction Costs	90%	(2,131,894)	(159,180)	1,813,534	3,786,248	5,758,961
	95%	(2,870,317)	(897,604)	1,075,110	3,047,824	5,020,537
	100%	(3,608,741)	(1,636,028)	336,686	2,309,400	4,282,114
	105%	(4,347,165)	(2,374,451)	(401,738)	1,570,976	3,543,690
	110%	(5,085,589)	(3,112,875)	(1,140,161)	832,552	2,805,266

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH3.

ASSUMPTIONS				
Land Acquisition Value	275,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.75	hectares	4.32	acres
Net Site Area	1.31	hectares	3.24	acres
Gross to Net Ratio	0.75			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	700		700	100.0%
1 Bed Apartment	538		633	85.0%
2 Bed Apartment	646		760	85.0%
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	152,000	12	24.0%	1,824,000
3 Bed houses	186,000	15	30.0%	2,790,000
4+ Bed houses	261,000	12	24.0%	3,132,000
2 Bed Bungalow	168,000	5	10.0%	840,000
1 Bed Apartment	110,000	3	6.0%	330,000
2 Bed Apartment	131,500	3	6.0%	394,500
		50	100%	9,310,500
less				
Affordable Housing (total)	30%			
(of which) Social Rented	50%	60% discount from MV		(837,945)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(279,315)
GROSS DEVELOPMENT VALUE				8,193,240

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31	ha	3.24	acres
Site Purchase Price				(891,877)
SDLT	891,877	@	Rate	(34,093)
Acquisition Agent fees	891,877	@	1%	(8,919)
Acquisition Legal fees	891,877	@	0.5%	(4,459)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.32	acres (gross) @	0	per acre
				-
Houses Build Costs	37,605	sqft @	78.00	psf
				(2,933,190)
Bungalow Build Costs	3,500	sqft @	111.67	psf
				(390,845)
Apartment Build Costs	4,179	sqft @	114.46	psf
				(478,328)
External works inc. utilities reinforcement (allowance)	3,802,363	@	15%	(570,355)
Contingency	4,372,718	@	3%	(131,182)
Professional Fees	4,503,899	@	8%	(360,312)
Disposal Costs -				
Sale Agents Costs	8,193,240	GDV @	1.00%	(81,932)
Sale Legal Costs	8,193,240	GDV @	0.50%	(40,966)
Marketing and Promotion (1)	8,193,240	GDV @	2.50%	(204,831)
Finance Costs -				
Finance Fees	6,154,389	@	1.00%	(61,544)
Interest allowance (land) (2)	24	months @	6.00%	(112,722)
Interest allowance (build) (3)	3	months @	6.00%	(73,310)
Developers Profit	8,193,240	@	18.00%	(1,474,783)
TOTAL COSTS				(7,876,747)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	316,493

SENSITIVITY ANALYSIS						
	Values					
	316,493	80%	90%	100%	110%	120%
Construction Costs	90%	(398,409)	182,708	763,825	1,344,942	1,926,059
	95%	(622,075)	(40,958)	540,159	1,121,276	1,702,393
	100%	(845,741)	(264,624)	316,493	897,610	1,478,727
	105%	(1,069,407)	(488,290)	92,827	673,944	1,255,061
	110%	(1,293,073)	(711,957)	(130,840)	450,277	1,031,394

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH4.

ASSUMPTIONS			
Land Acquisition Value	225,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	1.75	hectares	4.32 acres
Net Site Area	1.31	hectares	3.24 acres
Gross to Net Ratio	0.75		
	Net sales (sqft)	GIa (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	152,000	12	24.0%
3 Bed houses	186,000	15	30.0%
4+ Bed houses	261,000	12	24.0%
2 Bed Bungalow	168,000	5	10.0%
1 Bed Apartment	110,000	3	6.0%
2 Bed Apartment	131,500	3	6.0%
		50	100%
less			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(558,630)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(186,210)
GROSS DEVELOPMENT VALUE			8,565,660

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	1.31	ha	3.24 acres
Site Purchase Price			(729,717)
SDLT	729,717	@	Rate (25,985)
Acquisition Agent fees	729,717	@	1% (7,297)
Acquisition Legal fees	729,717	@	0.5% (3,649)
Initial Payments -			
Statutory Planning Fees			(23,100)
Construction Costs -			
Demolition and Site Clearance (allowance)	4.32	acres (gross) @	105,000 per acre (454,046)
Houses Build Costs	37,605	sqft @	78.00 psf (2,933,190)
Bungalow Build Costs	3,500	sqft @	111.67 psf (390,845)
Apartment Build Costs	4,179	sqft @	114.46 psf (478,328)
External works inc. utilities reinforcement (allowance)	3,802,363	@	15% (570,355)
Contingency	4,372,718	@	5% (218,636)
Professional Fees	5,045,400	@	9% (454,086)
Disposal Costs -			
Sale Agents Costs	8,565,660	GDV @	1.00% (85,657)
Sale Legal Costs	8,565,660	GDV @	0.50% (42,828)
Marketing and Promotion (1)	8,565,660	GDV @	2.50% (214,142)
Finance Costs -			
Finance Fees	6,631,860	@	1.00% (66,319)
Interest allowance (land) (2)	24	months @	6.00% (91,998)
Interest allowance (build) (3)	3	months @	6.00% (82,839)
Developers Profit	8,565,660	@	18.00% (1,541,819)
TOTAL COSTS			(8,414,834)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	150,826

SENSITIVITY ANALYSIS						
	Values					
	150,826	80%	90%	100%	110%	120%
Construction Costs	90%	(603,996)	3,535	611,067	1,218,598	1,826,129
	95%	(834,117)	(226,585)	380,946	988,478	1,596,009
	100%	(1,064,237)	(456,706)	150,826	758,357	1,365,888
	105%	(1,294,357)	(686,826)	(79,295)	528,237	1,135,768
	110%	(1,524,478)	(916,947)	(309,415)	298,116	905,648

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH5.

ASSUMPTIONS			
Land Acquisition Value	275,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	152,000	4	26.7%
3 Bed houses	186,000	7	46.7%
4+ Bed houses	261,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			2,954,000
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(265,860)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(88,620)
GROSS DEVELOPMENT VALUE			2,599,520

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(283,022)
SDLT	283,022	@	Rate (3,651)
Acquisition Agent fees	283,022	@	1% (2,830)
Acquisition Legal fees	283,022	@	0.5% (1,415)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	0 per acre -
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	3% (41,242)
Professional Fees	1,415,972	@	9% (127,438)
Disposal Costs -			
Sale Agents Costs	2,599,520	GDV @	1.00% (25,995)
Sale Legal Costs	2,599,520	GDV @	0.50% (12,998)
Marketing and Promotion (1)	2,599,520	GDV @	2.50% (64,988)
Finance Costs -			
Finance Fees	1,945,239	@	1.00% (19,452)
Interest allowance (land) (2)	24	months @	6.50% (37,819)
Interest allowance (build) (3)	3	months @	6.50% (25,193)
Developers Profit	2,599,520	@	18.00% (467,914)
TOTAL COSTS			(2,495,618)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	103,902

SENSITIVITY ANALYSIS						
	Values					
	103,902	80%	90%	100%	110%	120%
Construction Costs						
	90%	(143,022)	59,636	262,295	464,953	667,612
	95%	(222,219)	(19,560)	183,099	385,757	588,416
	100%	(301,415)	(98,756)	103,902	306,561	509,220
	105%	(380,611)	(177,952)	24,706	227,365	430,023
	110%	(459,807)	(257,149)	(54,490)	148,168	350,827

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH5a.

ASSUMPTIONS			
Land Acquisition Value	275,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	152,000	4	26.7%
3 Bed houses	186,000	7	46.7%
4+ Bed houses	261,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			2,954,000
/less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(265,860)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(88,620)
GROSS DEVELOPMENT VALUE			2,599,520

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(283,022)
SDLT	283,022	@	Rate (3,651)
Acquisition Agent fees	283,022	@	1% (2,830)
Acquisition Legal fees	283,022	@	0.5% (1,415)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	0 per acre -
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	3% (41,242)
M4(2) Allowance for 20% of units	3	@	1000.00 per unit (3,000)
Professional Fees	1,418,972	@	9% (127,708)
Disposal Costs -			
Sale Agents Costs	2,599,520	GDV @	1.00% (25,995)
Sale Legal Costs	2,599,520	GDV @	0.50% (12,998)
Marketing and Promotion (1)	2,599,520	GDV @	2.50% (64,988)
Finance Costs -			
Finance Fees	1,948,509	@	1.00% (19,485)
Interest allowance (land) (2)	24	months @	6.50% (37,819)
Interest allowance (build) (3)	3	months @	6.50% (25,246)
Developers Profit	2,599,520	@	18.00% (467,914)
TOTAL COSTS			(2,498,973)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	100,547

SENSITIVITY ANALYSIS						
	Values					
	100,547	80%	90%	100%	110%	120%
Construction Costs	90%	(146,378)	56,280	258,939	461,598	664,256
	95%	(225,574)	(22,916)	179,743	382,401	585,060
	100%	(304,771)	(102,112)	100,547	303,205	505,864
	105%	(383,967)	(181,308)	21,350	224,009	426,667
	110%	(463,163)	(260,505)	(57,846)	144,813	347,471

NOTES	
(1)	marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.
(2)	interest on land throughout the period
(3)	interest on buildings based on build one - sell one unit per month
(4)	a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate
(4)	a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3 CFH5b.

ASSUMPTIONS			
Land Acquisition Value	275,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	156,500	4	26.7%
3 Bed houses	209,000	7	46.7%
4+ Bed houses	268,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,161,000
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(284,490)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(94,830)
GROSS DEVELOPMENT VALUE			2,781,680

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(298,991)
SDLT	298,991	@	Rate (4,449)
Acquisition Agent fees	298,991	@	1% (2,990)
Acquisition Legal fees	298,991	@	0.5% (1,495)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	0 per acre -
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	3% (44,144)
Professional Fees	1,515,628	@	9% (136,406)
Disposal Costs -			
Sale Agents Costs	2,781,680	GDV @	1.00% (27,817)
Sale Legal Costs	2,781,680	GDV @	0.50% (13,908)
Marketing and Promotion (1)	2,781,680	GDV @	2.50% (69,542)
Finance Costs -			
Finance Fees	2,078,156	@	1.00% (20,782)
Interest allowance (land) (2)	24	months @	6.50% (40,030)
Interest allowance (build) (3)	3	months @	6.50% (26,958)
Developers Profit	2,781,680	@	18.00% (500,702)
TOTAL COSTS			(2,666,629)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	115,051

SENSITIVITY ANALYSIS						
	Values					
	115,051	80%	90%	100%	110%	120%
Construction Costs						
	90%	(149,128)	67,732	284,591	501,451	718,311
	95%	(233,898)	(17,038)	199,821	416,681	633,541
	100%	(318,668)	(101,808)	115,051	331,911	548,771
	105%	(403,438)	(186,578)	30,281	247,141	464,001
	110%	(488,208)	(271,348)	(54,489)	162,371	379,231

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH5c.

ASSUMPTIONS			
Land Acquisition Value	275,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	156,500	4	26.7%
3 Bed houses	209,000	7	46.7%
4+ Bed houses	268,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,161,000
<i>less</i>			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(284,490)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(94,830)
GROSS DEVELOPMENT VALUE			2,781,680

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(300,350)
SDLT	300,350	@	Rate (4,449)
Acquisition Agent fees	300,350	@	1% (3,004)
Acquisition Legal fees	300,350	@	0.5% (1,502)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	0 per acre -
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	3% (44,144)
M4(2) Allowance for 20% of units	3	@	1000.00 per unit (3,000)
Professional Fees	1,518,628	@	9% (136,676)
Disposal Costs -			
Sale Agents Costs	2,781,680	GDV @	1.00% (27,817)
Sale Legal Costs	2,781,680	GDV @	0.50% (13,908)
Marketing and Promotion (1)	2,781,680	GDV @	2.50% (69,542)
Finance Costs -			
Finance Fees	2,082,806	@	1.00% (20,828)
Interest allowance (land) (2)	24	months @	6.50% (40,210)
Interest allowance (build) (3)	3	months @	6.50% (27,011)
Developers Profit	2,781,680	@	18.00% (500,702)
TOTAL COSTS			(2,671,557)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	110,123

SENSITIVITY ANALYSIS						
	Values					
	110,123	80%	90%	100%	110%	120%
Construction Costs	90%	(154,057)	62,803	279,663	496,523	713,383
	95%	(238,827)	(21,967)	194,893	411,753	628,613
	100%	(323,597)	(106,737)	110,123	326,983	543,843
	105%	(408,367)	(191,507)	25,353	242,213	459,073
	110%	(493,137)	(276,277)	(59,417)	157,443	374,303

NOTES	
(1)	marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.
(2)	interest on land throughout the period
(3)	interest on buildings based on build one - sell one unit per month
(4)	a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate
(4)	a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH6.

ASSUMPTIONS				
Land Acquisition Value	225,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	0.49	hectares	1.21	acres
Net Site Area	0.42	hectares	1.03	acres
Gross to Net Ratio	0.85			
	Net sales (sqft)		GIa (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	0		700	0.0%
1 Bed Apartment	0		633	0.0%
2 Bed Apartment	0		760	0.0%
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	152,000	4	26.7%	608,000
3 Bed houses	186,000	7	46.7%	1,302,000
4+ Bed houses	261,000	4	26.7%	1,044,000
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		15	100%	2,954,000
less				
Affordable Housing (total)	20%			
(of which) Social Rented	50%	60% discount from MV		(177,240)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(59,080)
GROSS DEVELOPMENT VALUE				2,717,680

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.42	ha	1.03	acres
Site Purchase Price				(231,564)
SDLT	231,564	@	Rate	(1,631)
Acquisition Agent fees	231,564	@	1%	(2,316)
Acquisition Legal fees	231,564	@	0.5%	(1,158)
Initial Payments -				
Statutory Planning Fees				(6,930)
Construction Costs -				
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	110,000	per acre
Houses Build Costs	14,365	sqft @	87.00	psf
Bungalow Build Costs	-	sqft @	0.00	psf
Apartment Build Costs	-	sqft @	0.00	psf
External works inc. utilities reinforcement (allowance)	1,249,755	@	10%	(124,976)
Contingency	1,374,731	@	5%	(68,737)
Professional Fees	1,576,654	@	10%	(157,665)
Disposal Costs -				
Sale Agents Costs	2,717,680	GDV @	1.00%	(27,177)
Sale Legal Costs	2,717,680	GDV @	0.50%	(13,588)
Marketing and Promotion (1)	2,717,680	GDV @	2.50%	(67,942)
Finance Costs -				
Finance Fees	2,086,625	@	1.00%	(20,866)
Interest allowance (land) (2)	24	months @	6.50%	(30,767)
Interest allowance (build) (3)	3	months @	6.50%	(28,295)
Developers Profit	2,717,680	@	18.00%	(489,182)
TOTAL COSTS				(2,655,735)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	61,945

SENSITIVITY ANALYSIS						
	Values					
	61,945	80%	90%	100%	110%	120%
Construction Costs						
	90%	(198,847)	13,024	224,894	436,764	648,635
	95%	(280,321)	(68,451)	143,419	355,290	567,160
	100%	(361,796)	(149,926)	61,945	273,815	485,685
	105%	(443,271)	(231,400)	(19,530)	192,340	404,211
	110%	(524,745)	(312,875)	(101,005)	110,866	322,736

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH6a.

ASSUMPTIONS			
Land Acquisition Value	225,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	38.00	units per hectare	

VALUES			
	£	# units	
2 Bed houses	152,000	4	26.7%
3 Bed houses	186,000	7	46.7%
4+ Bed houses	261,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			2,954,000
<i>less</i>			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(177,240)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(59,080)
GROSS DEVELOPMENT VALUE			2,717,680

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(231,564)
SDLT	231,564	@	Rate (1,631)
Acquisition Agent fees	231,564	@	1% (2,316)
Acquisition Legal fees	231,564	@	0.5% (1,158)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	110,000 per acre (133,187)
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	5% (68,737)
M4(2) Allowance for 20% of units	3	@	1000.00 per unit (3,000)
Professional Fees	1,579,654	@	10% (157,965)
Disposal Costs -			
Sale Agents Costs	2,717,680	GDV @	1.00% (27,177)
Sale Legal Costs	2,717,680	GDV @	0.50% (13,588)
Marketing and Promotion (1)	2,717,680	GDV @	2.50% (67,942)
Finance Costs -			
Finance Fees	2,089,925	@	1.00% (20,899)
Interest allowance (land) (2)	24	months @	6.50% (30,767)
Interest allowance (build) (3)	3	months @	6.50% (28,349)
Developers Profit	2,717,680	@	18.00% (489,182)
TOTAL COSTS			(2,659,122)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	58,558

SENSITIVITY ANALYSIS						
	Values					
	58,558	80%	90%	100%	110%	120%
Construction Costs	90% (202,233)	9,637	221,507	433,378	645,248	
	95% (283,708)	(71,838)	140,033	351,903	563,773	
	100% (365,183)	(153,312)	58,558	270,428	482,299	
	105% (446,657)	(234,787)	(22,917)	188,954	400,824	
	110% (528,132)	(316,262)	(104,391)	107,479	319,349	

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3 CFH6b.

ASSUMPTIONS			
Land Acquisition Value	225,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	156,500	4	26.7%
3 Bed houses	209,000	7	46.7%
4+ Bed houses	268,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,161,000
less			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(189,660)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(63,220)
GROSS DEVELOPMENT VALUE			2,908,120

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(244,629)
SDLT	244,629	@	Rate (1,892)
Acquisition Agent fees	244,629	@	1% (2,446)
Acquisition Legal fees	244,629	@	0.5% (1,223)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	110,000 per acre (141,341)
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	5% (73,574)
Professional Fees	1,686,399	@	10% (168,640)
Disposal Costs -			
Sale Agents Costs	2,908,120	GDV @	1.00% (29,081)
Sale Legal Costs	2,908,120	GDV @	0.50% (14,541)
Marketing and Promotion (1)	2,908,120	GDV @	2.50% (72,703)
Finance Costs -			
Finance Fees	2,228,484	@	1.00% (22,285)
Interest allowance (land) (2)	24	months @	6.50% (32,525)
Interest allowance (build) (3)	3	months @	6.50% (30,257)
Developers Profit	2,908,120	@	18.00% (523,462)
TOTAL COSTS			(2,837,012)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	71,108

SENSITIVITY ANALYSIS						
	Values					
	71,108	80%	90%	100%	110%	120%
Construction Costs						
	90%	(207,908)	18,809	245,526	472,243	698,960
	95%	(295,117)	(68,400)	158,317	385,034	611,751
	100%	(382,326)	(155,609)	71,108	297,825	524,542
	105%	(469,535)	(242,818)	(16,101)	210,616	437,333
	110%	(556,744)	(330,027)	(103,309)	123,408	350,125

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH6c.

ASSUMPTIONS			
Land Acquisition Value	225,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	156,500	4	26.7%
3 Bed houses	209,000	7	46.7%
4+ Bed houses	268,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,161,000
/less			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(189,660)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(63,220)
GROSS DEVELOPMENT VALUE			2,908,120

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(245,741)
SDLT	245,741	@	Rate (1,892)
Acquisition Agent fees	245,741	@	1% (2,457)
Acquisition Legal fees	245,741	@	0.5% (1,229)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	110,000 per acre (141,341)
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	5% (73,574)
M4(2) Allowance for 20% of units	3	@	1000.00 per unit (3,000)
Professional Fees	1,689,399	@	10% (168,940)
Disposal Costs -			
Sale Agents Costs	2,908,120	GDV @	1.00% (29,081)
Sale Legal Costs	2,908,120	GDV @	0.50% (14,541)
Marketing and Promotion (1)	2,908,120	GDV @	2.50% (72,703)
Finance Costs -			
Finance Fees	2,232,912	@	1.00% (22,329)
Interest allowance (land) (2)	24	months @	6.50% (32,671)
Interest allowance (build) (3)	3	months @	6.50% (30,311)
Developers Profit	2,908,120	@	18.00% (523,462)
TOTAL COSTS			(2,841,685)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	66,435

SENSITIVITY ANALYSIS						
	Values					
	66,435	80%	90%	100%	110%	120%
Construction Costs						
90%	(212,582)	14,136	240,853	467,570	694,287	
95%	(299,790)	(73,073)	153,644	380,361	607,078	
100%	(386,999)	(160,282)	66,435	293,152	519,869	
105%	(474,208)	(247,491)	(20,774)	205,943	432,660	
110%	(561,417)	(334,700)	(107,983)	118,734	345,451	

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3 CFH7.

ASSUMPTIONS			
Land Acquisition Value	275,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.21	hectares	0.52 acres
Net Site Area	0.18	hectares	0.44 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIa (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	0	#DIV/0!
1 Bed Apartment	0	0	#DIV/0!
2 Bed Apartment	0	0	#DIV/0!
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	152,000	1	16.7%
3 Bed houses	186,000	3	50.0%
4+ Bed houses	261,000	2	33.3%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		6	100%
			1,232,000
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			1,232,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.18	ha	0.44 acres
Site Purchase Price			(121,295)
SDLT	121,295	@	Rate
Acquisition Agent fees	121,295	@	1%
Acquisition Legal fees	121,295	@	0.5%
Initial Payments -			
Statutory Planning Fees			(2,772)
Construction Costs -			
Demolition and Site Clearance (allowance)	0.52	acres (gross) @	0 per acre
Houses Build Costs	5,972	sqft @	92.00 psf
Bungalow Build Costs	-	sqft @	0.00 psf
Apartment Build Costs	-	sqft @	0.00 psf
External works inc. utilities reinforcement (allowance)	549,424	@	10%
Contingency	604,366	@	5%
Professional Fees	634,585	@	10%
Disposal Costs -			
Sale Agents Costs	1,232,000	GDV @	1.00%
Sale Legal Costs	1,232,000	GDV @	0.50%
Marketing and Promotion (1)	1,232,000	GDV @	2.50%
Finance Costs -			
Finance Fees	873,210	@	1.00%
Interest allowance (land) (2)	24	months @	6.50%
Interest allowance (build) (3)	3	months @	6.50%
Developers Profit	1,232,000	@	18.00%
TOTAL COSTS			(1,131,095)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	100,905

SENSITIVITY ANALYSIS						
	Values					
	100,905	80%	90%	100%	110%	120%
Construction Costs		(19,552)	76,495	172,542	268,568	364,635
		(55,370)	40,677	136,723	232,770	328,817
		(91,189)	4,858	100,905	196,952	292,998
		(127,007)	(30,960)	65,087	161,133	257,180
		(162,825)	(66,778)	29,268	125,315	221,362

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Carnforth Sites v3

CFH8.

ASSUMPTIONS			
Land Acquisition Value	225,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.21	hectares	0.52 acres
Net Site Area	0.18	hectares	0.44 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIa (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34.00	units per hectare	

VALUES				
	£	# units		
2 Bed houses	152,000	1	16.7%	152,000
3 Bed houses	186,000	3	50.0%	558,000
4+ Bed houses	261,000	2	33.3%	522,000
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		6	100%	1,232,000
less				
Affordable Housing (total)	0%			
(of which) Social Rented	50%	60% discount from MV		-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		-
GROSS DEVELOPMENT VALUE				1,232,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.18 ha	0.44 acres	
Site Purchase Price			(99,242)
SDLT	99,242 @	Rate	-
Acquisition Agent fees	99,242 @	1%	(992)
Acquisition Legal fees	99,242 @	0.5%	(496)
Initial Payments -			
Statutory Planning Fees			(2,772)
Construction Costs -			
Demolition and Site Clearance (allowance)	0.52 acres (gross) @	110,000 per acre	(57,080)
Houses Build Costs	5,972 sqft @	92.00 psf	(549,424)
Bungalow Build Costs	- sqft @	0.00 psf	-
Apartment Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	549,424 @	10%	(54,942)
Contingency	604,366 @	5%	(30,218)
Professional Fees	691,665 @	10%	(69,166)
Disposal Costs -			
Sale Agents Costs	1,232,000 GDV @	1.00%	(12,320)
Sale Legal Costs	1,232,000 GDV @	0.50%	(6,160)
Marketing and Promotion (1)	1,232,000 GDV @	2.50%	(30,800)
Finance Costs -			
Finance Fees	913,613 @	1.00%	(9,136)
Interest allowance (land) (2)	24 months @	6.50%	(13,095)
Interest allowance (build) (3)	3 months @	6.50%	(12,409)
Developers Profit	1,232,000 @	18.00%	(221,760)
TOTAL COSTS			

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	61,987

SENSITIVITY ANALYSIS						
	Values					
	61,987	80%	90%	100%	110%	120%
Construction Costs	90%	(58,470)	37,577	133,624	229,670	325,717
	95%	(94,288)	1,759	97,805	193,852	289,899
	100%	(130,107)	(34,060)	61,987	158,034	254,080
	105%	(165,925)	(69,878)	26,169	122,215	218,262
	110%	(201,743)	(105,696)	(9,650)	86,397	182,444

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3 MCM1.

ASSUMPTIONS				
Land Acquisition Value	250,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	6.58	hectares	16.26	acres
Net Site Area	3.95	hectares	9.76	acres
Gross to Net Ratio	0.60			
	Net sales (sqft)	GIa (sqft)		Net to Gross %
2 Bed houses	753	753		100.0%
3 Bed houses	915	915		100.0%
4+ Bed houses	1,237	1,237		100.0%
2 Bed Bungalow	700	700		100.0%
1 Bed Apartment	538	633		85.0%
2 Bed Apartment	646	760		85.0%
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	137,000	38	25.3%	5,206,000
3 Bed houses	169,000	46	30.7%	7,774,000
4+ Bed houses	235,000	38	25.3%	8,930,000
2 Bed Bungalow	154,000	14	9.3%	2,156,000
1 Bed Apartment	94,000	7	4.7%	658,000
2 Bed Apartment	132,000	7	4.7%	924,000
		150	100%	25,648,000
less				
Affordable Housing (total)	15%			
(of which) Social Rented	50%	60% discount from MV		(1,154,160)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(384,720)
GROSS DEVELOPMENT VALUE				24,109,120

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	3.95	ha	9.76	acres
Site Purchase Price				(2,438,877)
SDLT	2,438,877	@	Rate	(111,443)
Acquisition Agent fees	2,438,877	@	1%	(24,389)
Acquisition Legal fees	2,438,877	@	0.5%	(12,194)
Initial Payments -				
Statutory Planning Fees				(43,559)
Construction Costs -				
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	0	per acre
Houses Build Costs	117,710	sqft @	75.00	psf
Bungalow Build Costs	9,800	sqft @	113.17	psf
Apartment Build Costs	9,751	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	11,053,415	@	20%	
Contingency	13,264,099	@	3%	
Professional Fees	13,595,701	@	8%	(1,087,656)
Disposal Costs -				
Sale Agents Costs	24,109,120	GDV @	1.00%	(241,091)
Sale Legal Costs	24,109,120	GDV @	0.50%	(120,546)
Marketing and Promotion (1)	24,109,120	GDV @	2.50%	(602,728)
Finance Costs -				
Finance Fees	18,278,184	@	1.00%	(182,782)
Interest allowance (land) (2)	24	months @	6.00%	(310,428)
Interest allowance (build) (3)	3	months @	6.00%	(220,904)
Developers Profit	24,109,120	@	18.00%	(4,339,642)
TOTAL COSTS				(23,331,940)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	777,180

SENSITIVITY ANALYSIS						
	Values					
	777,180	80%	90%	100%	110%	120%
Construction Costs	90%	(1,311,887)	409,663	2,131,213	3,852,763	5,574,313
	95%	(1,988,904)	(267,353)	1,454,197	3,175,747	4,897,297
	100%	(2,665,920)	(944,370)	777,180	2,498,731	4,220,281
	105%	(3,342,936)	(1,621,386)	100,164	1,821,714	3,543,264
	110%	(4,019,952)	(2,298,402)	(576,852)	1,144,698	2,866,248

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3

MCM1a.

ASSUMPTIONS			
Land Acquisition Value	250,000	per net acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.58	hectares	16.26 acres
Net Site Area	3.95	hectares	9.76 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	137,000	38	25.3%
3 Bed houses	169,000	46	30.7%
4+ Bed houses	235,000	38	25.3%
2 Bed Bungalow	154,000	14	9.3%
1 Bed Apartment	94,000	7	4.7%
2 Bed Apartment	132,000	7	4.7%
		150	100%
			25,648,000
less			
Affordable Housing (total)	15%		
(of which) Social Rented	50%	60% discount from MV	(1,154,160)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(384,720)
GROSS DEVELOPMENT VALUE			24,109,120

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	3.95	ha	9.76 acres
Site Purchase Price			(2,438,877)
SDLT	2,438,877	@	Rate (111,443)
Acquisition Agent fees	2,438,877	@	1% (24,389)
Acquisition Legal fees	2,438,877	@	0.5% (12,194)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	0 per acre -
Houses Build Costs	117,710	sqft @	75.00 psf (8,828,250)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,053,415	@	20% (2,210,683)
Contingency	13,264,099	@	3% (397,923)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	13,692,022	@	8% (1,095,362)
Disposal Costs -			
Sale Agents Costs	24,109,120	GDV @	1.00% (241,091)
Sale Legal Costs	24,109,120	GDV @	0.50% (120,546)
Marketing and Promotion (1)	24,109,120	GDV @	2.50% (602,728)
Finance Costs -			
Finance Fees	18,382,210	@	1.00% (183,822)
Interest allowance (land) (2)	24	months @	6.00% (310,428)
Interest allowance (build) (3)	3	months @	6.00% (222,464)
Developers Profit	24,109,120	@	18.00% (4,339,642)
TOTAL COSTS			(23,438,566)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	670,554

SENSITIVITY ANALYSIS						
	Values					
	670,554	80%	90%	100%	110%	120%
Construction Costs	90%	(1,411,909)	309,641	2,031,191	3,752,741	5,474,291
	95%	(2,092,228)	(370,678)	1,350,872	3,072,423	4,793,973
	100%	(2,772,547)	(1,050,997)	670,554	2,392,104	4,113,654
	105%	(3,452,865)	(1,731,315)	(9,765)	1,711,785	3,433,335
	110%	(4,133,184)	(2,411,634)	(690,084)	1,031,466	2,753,016

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3 MCM1b.

ASSUMPTIONS				
Land Acquisition Value	250,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	6.94	hectares	17.15	acres
Net Site Area	4.16	hectares	10.29	acres
Gross to Net Ratio	0.60			
	Net sales (sqft)	GIa (sqft)		Net to Gross %
2 Bed houses	775	775		100.0%
3 Bed houses	1,028	1,028		100.0%
4+ Bed houses	1,270	1,270		100.0%
2 Bed Bungalow	700	700		100.0%
1 Bed Apartment	554	652		85.0%
2 Bed Apartment	678	798		85.0%
Residential density per ha	36	units per hectare		

VALUES				
	£	# units		
2 Bed houses	141,000	38	25.3%	5,358,000
3 Bed houses	189,863	46	30.7%	8,733,698
4+ Bed houses	241,327	38	25.3%	9,170,426
2 Bed Bungalow	154,000	14	9.3%	2,156,000
1 Bed Apartment	96,843	7	4.7%	677,901
2 Bed Apartment	138,500	7	4.7%	969,500
		150	100%	27,065,525
less				
Affordable Housing (total)	15%			
(of which) Social Rented	50%	60% discount from MV		(1,217,949)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(405,983)
GROSS DEVELOPMENT VALUE				25,441,594

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	4.16	ha	10.29	acres
Site Purchase Price				(2,572,311)
SDLT	2,572,311	@	Rate	(118,115)
Acquisition Agent fees	2,572,311	@	1%	(25,723)
Acquisition Legal fees	2,572,311	@	0.5%	(12,862)
Initial Payments -				
Statutory Planning Fees				(43,559)
Construction Costs -				
Demolition and Site Clearance (allowance)	17.15	acres (gross) @	0	per acre
Houses Build Costs	124,998	sqft @	75.00	psf
Bungalow Build Costs	9,800	sqft @	113.17	psf
Apartment Build Costs	10,150	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	11,645,685	@	20%	
Contingency	13,974,822	@	3%	
Professional Fees	14,394,067	@	8%	(1,151,525)
Disposal Costs -				
Sale Agents Costs	25,441,594	GDV @	1.00%	(254,416)
Sale Legal Costs	25,441,594	GDV @	0.50%	(127,208)
Marketing and Promotion (1)	25,441,594	GDV @	2.50%	(636,040)
Finance Costs -				
Finance Fees	19,335,825	@	1.00%	(193,358)
Interest allowance (land) (2)	24	months @	6.00%	(327,481)
Interest allowance (build) (3)	3	months @	6.00%	(233,837)
Developers Profit	25,441,594	@	18.00%	(4,579,487)
TOTAL COSTS				(24,669,989)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	771,604

SENSITIVITY ANALYSIS						
	Values					
	771,604	80%	90%	100%	110%	120%
Construction Costs	90%	(1,437,580)	387,850	2,213,279	4,038,709	5,864,139
	95%	(2,158,418)	(332,988)	1,492,442	3,317,872	5,143,302
	100%	(2,879,255)	(1,053,825)	771,604	2,597,034	4,422,464
	105%	(3,600,093)	(1,774,663)	50,767	1,876,197	3,701,627
	110%	(4,320,930)	(2,495,500)	(670,071)	1,155,359	2,980,789

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3

MCM1c.

ASSUMPTIONS			
Land Acquisition Value	250,000	per net acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.94	hectares	17.15 acres
Net Site Area	4.16	hectares	10.29 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	652	85.0%
2 Bed Apartment	678	798	85.0%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	141,000	38	25.3%
3 Bed houses	189,863	46	30.7%
4+ Bed houses	241,327	38	25.3%
2 Bed Bungalow	154,000	14	9.3%
1 Bed Apartment	96,843	7	4.7%
2 Bed Apartment	138,500	7	4.7%
		150	100%
			27,065,525
<i>less</i>			
Affordable Housing (total)	15%		
(of which) Social Rented	50%	60% discount from MV	(1,217,949)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(405,983)
GROSS DEVELOPMENT VALUE			25,441,594

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	4.16	ha	10.29 acres
Site Purchase Price			(2,572,311)
SDLT	2,572,311	@	Rate (118,115)
Acquisition Agent fees	2,572,311	@	1% (25,723)
Acquisition Legal fees	2,572,311	@	0.5% (12,862)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	17.15	acres (gross) @	0 per acre -
Houses Build Costs	124,998	sqft @	75.00 psf (9,374,850)
Bungalow Build Costs	9,800	sqft @	113.17 psf (1,109,066)
Apartment Build Costs	10,150	sqft @	114.46 psf (1,161,769)
External works inc. utilities reinforcement (allowance)	11,645,685	@	20% (2,329,137)
Contingency	13,974,822	@	3% (419,245)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	14,424,067	@	8% (1,153,925)
Disposal Costs -			
Sale Agents Costs	25,441,594	GDV @	1.00% (254,416)
Sale Legal Costs	25,441,594	GDV @	0.50% (127,208)
Marketing and Promotion (1)	25,441,594	GDV @	2.50% (636,040)
Finance Costs -			
Finance Fees	19,368,225	@	1.00% (193,682)
Interest allowance (land) (2)	24	months @	6.00% (327,481)
Interest allowance (build) (3)	3	months @	6.00% (234,323)
Developers Profit	25,441,594	@	18.00% (4,579,487)
TOTAL COSTS			(24,703,199)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	738,394

SENSITIVITY ANALYSIS						
	Values					
	738,394	80%	90%	100%	110%	120%
Construction Costs	90%	(1,470,790)	354,640	2,180,069	4,005,499	5,830,928
	95%	(2,919,628)	(366,198)	1,459,232	3,284,662	5,110,092
	100%	(2,912,465)	(1,087,035)	738,394	2,563,824	4,389,254
	105%	(3,633,303)	(1,807,873)	17,557	1,842,987	3,668,417
	110%	(4,354,140)	(2,528,710)	(703,281)	1,122,149	2,947,579

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3
MCM2.

ASSUMPTIONS				
Land Acquisition Value	200,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	6.58	hectares	16.26	acres
Net Site Area	3.95	hectares	9.76	acres
Gross to Net Ratio	0.60			
	Net sales (sqft)	GIA (sqft)	Net to Gross %	
2 Bed houses	753	753	100.0%	
3 Bed houses	915	915	100.0%	
4+ Bed houses	1,237	1,237	100.0%	
2 Bed Bungalow	700	700	100.0%	
1 Bed Apartment	538	633	85.0%	
2 Bed Apartment	646	760	85.0%	
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	137,000	38	25.3%	5,206,000
3 Bed houses	169,000	46	30.7%	7,774,000
4+ Bed houses	235,000	38	25.3%	8,930,000
2 Bed Bungalow	154,000	14	9.3%	2,156,000
1 Bed Apartment	94,000	7	4.7%	658,000
2 Bed Apartment	132,000	7	4.7%	924,000
		150	100%	25,648,000
<i>less</i>				
Affordable Housing (total)	0%			
(of which) Social Rented	50%	60% discount from MV		-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		-
GROSS DEVELOPMENT VALUE				25,648,000

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	3.95	ha	9.76	acres
Site Purchase Price				(1,951,102)
SDLT	1,951,102	@	Rate	(87,055)
Acquisition Agent fees	1,951,102	@	1%	(19,511)
Acquisition Legal fees	1,951,102	@	0.5%	(9,756)
Initial Payments -				
Statutory Planning Fees				(43,559)
Construction Costs -				
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	100,000 per acre	(1,625,918)
Houses Build Costs	117,710	sqft @	75.00 psf	(8,828,250)
Bungalow Build Costs	9,800	sqft @	113.17 psf	(1,109,066)
Apartment Build Costs	9,751	sqft @	114.46 psf	(1,116,099)
External works inc. utilities reinforcement (allowance)	11,053,415	@	20%	(2,210,683)
Contingency	13,264,099	@	5%	(663,205)
Professional Fees				
	15,553,221	@	9%	(1,399,790)
Disposal Costs -				
Sale Agents Costs	25,648,000	GDV @	1.00%	(256,480)
Sale Legal Costs	25,648,000	GDV @	0.50%	(128,240)
Marketing and Promotion (1)	25,648,000	GDV @	2.50%	(641,200)
Finance Costs -				
Finance Fees	20,089,914	@	1.00%	(200,899)
Interest allowance (land) (2)	24	months @	6.00%	(248,091)
Interest allowance (build) (3)	3	months @	6.00%	(254,949)
Developers Profit				
	25,648,000	@	18.00%	(4,616,640)
TOTAL COSTS				(25,410,492)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	237,508

SENSITIVITY ANALYSIS						
	Values					
	237,508	80%	90%	100%	110%	120%
Construction Costs	90%	(2,025,464)	(194,027)	1,637,409	3,468,845	5,300,282
	95%	(2,725,414)	(893,978)	937,458	2,768,895	4,600,331
	100%	(3,425,365)	(1,593,928)	237,508	2,068,944	3,900,381
	105%	(4,125,315)	(2,293,879)	(462,442)	1,368,994	3,200,430
	110%	(4,825,266)	(2,993,829)	(1,162,393)	669,043	2,500,480

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

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MCM2a.

ASSUMPTIONS			
Land Acquisition Value	200,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.58	hectares	16.26 acres
Net Site Area	3.95	hectares	9.76 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	137,000	38	25.3%
3 Bed houses	169,000	46	30.7%
4+ Bed houses	235,000	38	25.3%
2 Bed Bungalow	154,000	14	9.3%
1 Bed Apartment	94,000	7	4.7%
2 Bed Apartment	132,000	7	4.7%
		150	100%
			25,648,000
/less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			25,648,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	3.95	ha	9.76 acres
Site Purchase Price			(1,951,102)
SDLT	1,951,102	@	Rate (87,055)
Acquisition Agent fees	1,951,102	@	1% (19,511)
Acquisition Legal fees	1,951,102	@	0.5% (9,756)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	16.26	acres (gross) @	100,000 per acre (1,625,918)
Houses Build Costs	117,710	sqft @	75.00 psf (8,828,250)
Bungalow Build Costs	9,800	sqft @	111.67 psf (1,094,366)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,038,715	@	20% (2,207,743)
Contingency	13,246,459	@	5% (662,323)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees	15,564,699	@	9% (1,400,823)
Disposal Costs -			
Sale Agents Costs	25,648,000	GDV @	1.00% (256,480)
Sale Legal Costs	25,648,000	GDV @	0.50% (128,240)
Marketing and Promotion (1)	25,648,000	GDV @	2.50% (641,200)
Finance Costs -			
Finance Fees	20,102,425	@	1.00% (201,024)
Interest allowance (land) (2)	24	months @	6.00% (248,091)
Interest allowance (build) (3)	3	months @	6.00% (255,136)
Developers Profit	25,648,000	@	18.00% (4,616,640)
TOTAL COSTS			(25,423,316)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	224,684

SENSITIVITY ANALYSIS						
	Values					
	224,684	80%	90%	100%	110%	120%
Construction Costs	90%	(2,038,288)	(206,851)	1,624,585	3,456,021	5,287,456
	95%	(2,738,238)	(906,802)	924,635	2,756,071	4,587,507
	100%	(3,438,188)	(1,606,752)	224,684	2,056,121	3,887,557
	105%	(4,138,139)	(2,306,703)	(475,266)	1,356,170	3,187,606
	110%	(4,838,089)	(3,006,653)	(1,175,217)	656,220	2,487,656

NOTES	
(1)	marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.
(2)	interest on land throughout the period
(3)	interest on buildings based on build one - sell one unit per month
(4)	a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate
(4)	a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL

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MCM2b.

ASSUMPTIONS				
Land Acquisition Value	200,000	per acre		
Developers Profit	20.0%	on GDV		
Gross Site Area	6.94	hectares	17.15	acres
Net Site Area	4.16	hectares	10.29	acres
Gross to Net Ratio	0.60			
	Net sales (sqft)	GIa (sqft)		Net to Gross %
2 Bed houses	775	775		100.0%
3 Bed houses	1,028	1,028		100.0%
4+ Bed houses	1,270	1,270		100.0%
2 Bed Bungalow	700	700		100.0%
1 Bed Apartment	554	633		87.5%
2 Bed Apartment	678	760		89.2%
Residential density per ha	36.00	units per hectare		

VALUES				
	£	# units		
2 Bed houses	141,000	38	25.3%	5,358,000
3 Bed houses	189,863	46	30.7%	8,733,698
4+ Bed houses	241,327	38	25.3%	9,170,426
2 Bed Bungalow	154,000	14	9.3%	2,156,000
1 Bed Apartment	96,843	7	4.7%	677,901
2 Bed Apartment	138,500	7	4.7%	969,500
		150	100%	27,065,525
less				
Affordable Housing (total)	0%			
(of which) Social Rented	50%	60% discount from MV		-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		-
GROSS DEVELOPMENT VALUE				27,065,525

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	4.16	ha	10.29	acres
Site Purchase Price				(2,057,849)
SDLT	2,057,849	@	Rate	(92,392)
Acquisition Agent fees	2,057,849	@	1%	(20,578)
Acquisition Legal fees	2,057,849	@	0.5%	(10,289)
Initial Payments -				
Statutory Planning Fees				(43,559)
Construction Costs -				
Demolition and Site Clearance (allowance)	17.15	acres (gross) @	100,000	per acre
Houses Build Costs	124,998	sqft @	75.00	psf
Bungalow Build Costs	9,800	sqft @	111.67	psf
Apartment Build Costs	9,751	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	11,585,315	@	20%	
Contingency	13,902,379	@	5%	
Professional Fees	16,312,371	@	9%	
Disposal Costs -				
Sale Agents Costs	27,065,525	GDV @	1.00%	
Sale Legal Costs	27,065,525	GDV @	0.50%	
Marketing and Promotion (1)	27,065,525	GDV @	3.00%	
Finance Costs -				
Finance Fees	21,223,101	@	1.00%	
Interest allowance (land) (2)	24	months @	6.00%	
Interest allowance (build) (3)	3	months @	6.00%	
Developers Profit	27,065,525	@	18.00%	
TOTAL COSTS				(26,836,220)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	229,305

SENSITIVITY ANALYSIS						
	Values					
	229,305	80%	90%	100%	110%	120%
Construction Costs	90%	(2,152,582)	(223,215)	1,706,152	3,635,520	5,564,887
	95%	(2,891,006)	(961,639)	967,729	2,897,096	4,826,463
	100%	(3,629,430)	(1,700,063)	229,305	2,158,672	4,088,039
	105%	(4,367,854)	(2,438,486)	(509,119)	1,420,248	3,349,615
	110%	(5,106,277)	(3,176,910)	(1,247,543)	681,824	2,611,192

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

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MCM2c.

ASSUMPTIONS			
Land Acquisition Value	200,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	6.94	hectares	17.15 acres
Net Site Area	4.16	hectares	10.29 acres
Gross to Net Ratio	0.60		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	633	87.5%
2 Bed Apartment	678	760	89.2%
Residential density per ha	36.00	units per hectare	

VALUES			
	£	# units	
2 Bed houses	141,000	38	25.3%
3 Bed houses	189,863	46	30.7%
4+ Bed houses	241,327	38	25.3%
2 Bed Bungalow	154,000	14	9.3%
1 Bed Apartment	96,843	7	4.7%
2 Bed Apartment	138,500	7	4.7%
		150	100%
			27,065,525
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			27,065,525

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	4.16	ha	10.29 acres
Site Purchase Price			(2,057,849)
SDLT	2,057,849	@	Rate (92,392)
Acquisition Agent fees	2,057,849	@	1% (20,578)
Acquisition Legal fees	2,057,849	@	0.5% (10,289)
Initial Payments -			
Statutory Planning Fees			(43,559)
Construction Costs -			
Demolition and Site Clearance (allowance)	17.15	acres (gross) @	100,000 per acre (1,714,874)
Houses Build Costs	124,998	sqft @	75.00 psf (9,374,850)
Bungalow Build Costs	9,800	sqft @	111.67 psf (1,094,366)
Apartment Build Costs	9,751	sqft @	114.46 psf (1,116,099)
External works inc. utilities reinforcement (allowance)	11,585,315	@	20% (2,317,063)
Contingency	13,902,379	@	5% (695,119)
M4(2) Allowance for 20% of units	30	@	1000.00 per unit (30,000)
Professional Fees			
	16,342,371	@	9% (1,470,813)
Disposal Costs -			
Sale Agents Costs	27,065,525	GDV @	1.00% (270,655)
Sale Legal Costs	27,065,525	GDV @	0.50% (135,328)
Marketing and Promotion (1)	27,065,525	GDV @	2.50% (676,638)
Finance Costs -			
Finance Fees	21,120,473	@	1.00% (211,205)
Interest allowance (land) (2)	24	months @	6.00% (261,733)
Interest allowance (build) (3)	3	months @	6.00% (267,851)
Developers Profit			
	27,065,525	@	18.00% (4,871,795)
TOTAL COSTS			(26,733,057)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	332,468

SENSITIVITY ANALYSIS						
Construction Costs	Values					
	332,468	80%	90%	100%	110%	120%
	90%	(2,074,577)	(132,631)	1,809,316	3,751,262	5,693,206
	95%	(2,813,001)	(871,055)	1,070,892	3,012,839	4,954,785
	100%	(3,551,425)	(1,609,478)	332,468	2,274,415	4,216,361
	105%	(4,289,849)	(2,347,902)	(405,956)	1,535,991	3,477,937
	110%	(5,028,273)	(3,086,326)	(1,144,380)	797,567	2,739,514

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

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MCM3.

ASSUMPTIONS				
Land Acquisition Value	250,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.75	hectares	4.32	acres
Net Site Area	1.31	hectares	3.24	acres
Gross to Net Ratio	0.75			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	700		700	100.0%
1 Bed Apartment	538		633	85.0%
2 Bed Apartment	646		760	85.0%
Residential density per ha	38.00	units per hectare		

VALUES				
	£	# units		
2 Bed houses	137,000	12	24.0%	1,644,000
3 Bed houses	169,000	15	30.0%	2,535,000
4+ Bed houses	235,000	12	24.0%	2,820,000
2 Bed Bungalow	154,000	5	10.0%	770,000
1 Bed Apartment	94,000	3	6.0%	282,000
2 Bed Apartment	132,000	3	6.0%	396,000
		50	100%	8,447,000
less				
Affordable Housing (total)	15%			
(of which) Social Rented	50%	60% discount from MV		(380,115)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(126,705)
GROSS DEVELOPMENT VALUE				7,940,180

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31	ha	3.24	acres
Site Purchase Price				(810,797)
SDLT	810,797	@	Rate	(30,039)
Acquisition Agent fees	810,797	@	1%	(8,108)
Acquisition Legal fees	810,797	@	0.5%	(4,054)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.32	acres (gross) @	0	per acre
Houses Build Costs	37,605	sqft @	78.00	psf
Bungalow Build Costs	3,500	sqft @	111.67	psf
Apartment Build Costs	4,179	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	3,802,363	@	15%	(570,355)
Contingency	4,372,718	@	3%	(131,182)
Professional Fees	4,503,899	@	8%	(360,312)
Disposal Costs -				
Sale Agents Costs	7,940,180	GDV @	1.00%	(79,402)
Sale Legal Costs	7,940,180	GDV @	0.50%	(39,701)
Marketing and Promotion (1)	7,940,180	GDV @	2.50%	(198,505)
Finance Costs -				
Finance Fees	6,057,916	@	1.00%	(60,579)
Interest allowance (land) (2)	24	months @	6.00%	(102,360)
Interest allowance (build) (3)	3	months @	6.00%	(73,310)
Developers Profit	7,940,180	@	18.00%	(1,429,232)
TOTAL COSTS				(7,723,397)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	216,783

SENSITIVITY ANALYSIS						
	Values					
	216,783	80%	90%	100%	110%	120%
Construction Costs	90%	(461,063)	101,526	664,115	1,226,704	1,789,293
	95%	(684,729)	(122,140)	440,449	1,003,038	1,565,627
	100%	(908,395)	(345,806)	216,783	779,372	1,341,961
	105%	(1,132,062)	(569,473)	(6,884)	555,705	1,118,294
	110%	(1,355,728)	(793,139)	(230,550)	332,039	894,628

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3 MCM4.

ASSUMPTIONS				
Land Acquisition Value	200,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.75	hectares	4.32	acres
Net Site Area	1.31	hectares	3.24	acres
Gross to Net Ratio	0.75			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	700		700	100.0%
1 Bed Apartment	538		633	85.0%
2 Bed Apartment	646		760	85.0%
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	137,000	12	24.0%	1,644,000
3 Bed houses	169,000	15	30.0%	2,535,000
4+ Bed houses	235,000	12	24.0%	2,820,000
2 Bed Bungalow	154,000	5	10.0%	770,000
1 Bed Apartment	94,000	3	6.0%	282,000
2 Bed Apartment	132,000	3	6.0%	396,000
		50	100%	8,447,000
less				
Affordable Housing (total)	0%			
(of which) Social Rented	50%	60% discount from MV		-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		-
GROSS DEVELOPMENT VALUE				8,447,000

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31	ha	3.24	acres
Site Purchase Price				(648,638)
SDLT	648,638	@	Rate	(21,931)
Acquisition Agent fees	648,638	@	1%	(6,486)
Acquisition Legal fees	648,638	@	0.5%	(3,243)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.32	acres (gross) @	105,000	per acre
				(454,046)
Houses Build Costs	37,605	sqft @	78.00	psf
				(2,933,190)
Bungalow Build Costs	3,500	sqft @	111.67	psf
				(390,845)
Apartment Build Costs	4,179	sqft @	114.46	psf
				(478,328)
External works inc. utilities reinforcement (allowance)	3,802,363	@	15%	(570,355)
Contingency	4,372,718	@	5%	(218,636)
Professional Fees				
	5,045,400	@	9%	(454,086)
Disposal Costs -				
Sale Agents Costs	8,447,000	GDV @	1.00%	(84,470)
Sale Legal Costs	8,447,000	GDV @	0.50%	(42,235)
Marketing and Promotion (1)	8,447,000	GDV @	2.50%	(211,175)
Finance Costs -				
Finance Fees	6,540,764	@	1.00%	(65,408)
Interest allowance (land) (2)	24	months @	6.00%	(81,636)
Interest allowance (build) (3)	3	months @	6.00%	(82,839)
Developers Profit				
	8,447,000	@	18.00%	(1,520,460)
TOTAL COSTS				(8,291,106)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	155,894

SENSITIVITY ANALYSIS						
	Values					
	155,894	80%	90%	100%	110%	120%
Construction Costs						
	90%	(580,863)	17,636	616,135	1,214,634	1,813,133
	95%	(810,984)	(212,485)	386,014	984,513	1,583,012
	100%	(1,041,104)	(442,605)	155,894	754,393	1,352,892
	105%	(1,271,225)	(672,726)	(74,227)	524,272	1,122,771
	110%	(1,501,345)	(902,846)	(304,347)	294,152	892,651

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3 MCM5.

ASSUMPTIONS			
Land Acquisition Value	250,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	137,000	4	26.7%
3 Bed houses	169,000	7	46.7%
4+ Bed houses	235,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
less			
Affordable Housing (total)	10%		
(of which) Social Rented	50%	60% discount from MV	(80,130)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(26,710)
GROSS DEVELOPMENT VALUE			2,564,160

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(257,293)
SDLT	257,293	@	Rate (2,364)
Acquisition Agent fees	257,293	@	1% (2,573)
Acquisition Legal fees	257,293	@	0.5% (1,286)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	0 per acre -
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	3% (41,242)
Professional Fees	1,415,972	@	9% (127,438)
Disposal Costs -			
Sale Agents Costs	2,564,160	GDV @	1.00% (25,642)
Sale Legal Costs	2,564,160	GDV @	0.50% (12,821)
Marketing and Promotion (1)	2,564,160	GDV @	2.50% (64,104)
Finance Costs -			
Finance Fees	1,916,423	@	1.00% (19,164)
Interest allowance (land) (2)	24	months @	6.50% (34,257)
Interest allowance (build) (3)	3	months @	6.50% (25,193)
Developers Profit	2,564,160	@	18.00% (461,549)
TOTAL COSTS			(2,456,586)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	107,574

SENSITIVITY ANALYSIS						
	Values					
	107,574	80%	90%	100%	110%	120%
Construction Costs		(133,837)	66,065	265,967	465,869	665,771
		(213,033)	(13,131)	186,770	386,672	586,574
		(292,230)	(92,328)	107,574	307,476	507,378
		(371,426)	(171,524)	28,378	228,280	428,182
		(450,622)	(250,720)	(50,818)	149,084	348,986

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

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MCM5a.

ASSUMPTIONS			
Land Acquisition Value	250,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	137,000	4	26.7%
3 Bed houses	169,000	7	46.7%
4+ Bed houses	235,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			2,671,000
/less			
Affordable Housing (total)	10%		
(of which) Social Rented	50%	60% discount from MV	(80,130)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(26,710)
GROSS DEVELOPMENT VALUE			2,564,160

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(257,293)
SDLT	257,293	@	Rate (2,364)
Acquisition Agent fees	257,293	@	1% (2,573)
Acquisition Legal fees	257,293	@	0.5% (1,286)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	0 per acre -
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	3% (41,242)
M4(2) Allowance for 20% of units	3	@	1000.00 per unit (3,000)
Professional Fees	1,418,972	@	9% (127,708)
Disposal Costs -			
Sale Agents Costs	2,564,160	GDV @	1.00% (25,642)
Sale Legal Costs	2,564,160	GDV @	0.50% (12,821)
Marketing and Promotion (1)	2,564,160	GDV @	2.50% (64,104)
Finance Costs -			
Finance Fees	1,919,693	@	1.00% (19,197)
Interest allowance (land) (2)	24	months @	6.50% (34,257)
Interest allowance (build) (3)	3	months @	6.50% (25,246)
Developers Profit	2,564,160	@	18.00% (461,549)
TOTAL COSTS			(2,459,942)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	104,218

SENSITIVITY ANALYSIS						
	Values					
	104,218	80%	90%	100%	110%	120%
Construction Costs	90%	(137,193)	62,709	262,611	462,513	662,416
	95%	(216,389)	(16,487)	183,415	383,317	583,218
	100%	(295,585)	(95,684)	104,218	304,120	504,022
	105%	(374,782)	(174,880)	25,022	224,924	424,826
	110%	(453,978)	(254,076)	(54,174)	145,728	345,630

NOTES	
(1)	marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.
(2)	interest on land throughout the period
(3)	interest on buildings based on build one - sell one unit per month
(4)	a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate
(4)	a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.

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MCM5b.

ASSUMPTIONS				
Land Acquisition Value	250,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	0.49	hectares	1.21	acres
Net Site Area	0.44	hectares	1.09	acres
Gross to Net Ratio	0.85			
	Net sales (sqft)	GiA (sqft)		Net to Gross %
2 Bed houses	775	775		100.0%
3 Bed houses	1,028	1,028		100.0%
4+ Bed houses	1,270	1,270		100.0%
2 Bed Bungalow	0	700		0.0%
1 Bed Apartment	0	633		0.0%
2 Bed Apartment	0	760		0.0%
Residential density per ha	34	units per hectare		

VALUES				
	£	# units		
2 Bed houses	141,000	4	26.7%	564,000
3 Bed houses	189,863	7	46.7%	1,329,041
4+ Bed houses	241,327	4	26.7%	965,308
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		15	100%	2,858,349
less				
Affordable Housing (total)	10%			
(of which) Social Rented	50%	60% discount from MV		(85,750)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(28,583)
GROSS DEVELOPMENT VALUE				2,744,015

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.44	ha	1.09	acres
Site Purchase Price				(271,810)
SDLT	271,810	@	Rate	(3,090)
Acquisition Agent fees	271,810	@	1%	(2,718)
Acquisition Legal fees	271,810	@	0.5%	(1,359)
Initial Payments -				
Statutory Planning Fees				(6,930)
Construction Costs -				
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	0	per acre
Houses Build Costs	15,376	sqft @	87.00	psf
Bungalow Build Costs	-	sqft @	0.00	psf
Apartment Build Costs	-	sqft @	0.00	psf
External works inc. utilities reinforcement (allowance)	1,337,712	@	10%	(133,771)
Contingency	1,471,483	@	3%	(44,144)
Professional Fees	1,515,628	@	9%	(136,406)
Disposal Costs -				
Sale Agents Costs	2,744,015	GDV @	1.00%	(27,440)
Sale Legal Costs	2,744,015	GDV @	0.50%	(13,720)
Marketing and Promotion (1)	2,744,015	GDV @	2.50%	(68,600)
Finance Costs -				
Finance Fees	2,047,702	@	1.00%	(20,477)
Interest allowance (land) (2)	12	months @	6.50%	(18,134)
Interest allowance (build) (3)	3	months @	6.50%	(26,958)
Developers Profit	2,744,015	@	18.00%	(493,923)
TOTAL COSTS				(2,607,193)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	136,822

SENSITIVITY ANALYSIS						
	Values					
	136,822	80%	90%	100%	110%	120%
Construction Costs	90%	(121,485)	92,438	306,362	520,265	734,209
	95%	(206,255)	7,668	221,592	435,515	649,439
	100%	(291,025)	(77,102)	136,822	350,745	564,669
	105%	(375,795)	(161,872)	52,052	265,975	479,899
	110%	(460,565)	(246,642)	(32,718)	181,205	395,129

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3
MCM5c.

ASSUMPTIONS			
Land Acquisition Value	250,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	141,000	4	26.7%
3 Bed houses	189,863	7	46.7%
4+ Bed houses	241,327	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
			2,858,349
less			
Affordable Housing (total)	10%		
(of which) Social Rented	50%	60% discount from MV	(85,750)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(28,583)
GROSS DEVELOPMENT VALUE			2,744,015

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(273,046)
SDLT	273,046	@	Rate (3,090)
Acquisition Agent fees	273,046	@	1% (2,730)
Acquisition Legal fees	273,046	@	0.5% (1,365)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	0 per acre -
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	3% (44,144)
M4(2) Allowance for 20% of units	3	@	1000.00 per unit (3,000)
Professional Fees			
	1,518,628	@	9% (136,676)
Disposal Costs -			
Sale Agents Costs	2,744,015	GDV @	1.00% (27,440)
Sale Legal Costs	2,744,015	GDV @	0.50% (13,720)
Marketing and Promotion (1)	2,744,015	GDV @	2.50% (68,600)
Finance Costs -			
Finance Fees	2,052,226	@	1.00% (20,522)
Interest allowance (land) (2)	24	months @	6.50% (36,430)
Interest allowance (build) (3)	3	months @	6.50% (27,011)
Developers Profit			
	2,744,015	@	18.00% (493,923)
TOTAL COSTS			(2,630,112)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	113,903

SENSITIVITY ANALYSIS						
		Values				
Construction Costs	113,903	80%	90%	100%	110%	120%
	90%	(144,404)	69,519	283,443	497,366	711,290
	95%	(229,174)	(15,251)	196,673	412,596	626,520
	100%	(313,944)	(100,021)	113,903	327,826	541,750
	105%	(398,714)	(184,791)	29,133	243,056	456,980
	110%	(483,484)	(269,561)	(55,637)	158,286	372,210

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3 MCM6.

ASSUMPTIONS			
Land Acquisition Value	200,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIa (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	38.00	units per hectare	

VALUES			
	£	# units	
2 Bed houses	137,000	4	26.7%
3 Bed houses	169,000	7	46.7%
4+ Bed houses	235,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			2,671,000
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			2,671,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(205,834)
SDLT	205,834	@	Rate (1,116)
Acquisition Agent fees	205,834	@	1% (2,058)
Acquisition Legal fees	205,834	@	0.5% (1,029)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	110,000 per acre (133,187)
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	5% (68,737)
Professional Fees	1,576,654	@	10% (157,665)
Disposal Costs -			
Sale Agents Costs	2,671,000	GDV @	1.00% (26,710)
Sale Legal Costs	2,671,000	GDV @	0.50% (13,355)
Marketing and Promotion (1)	2,671,000	GDV @	2.50% (66,775)
Finance Costs -			
Finance Fees	2,058,127	@	1.00% (20,581)
Interest allowance (land) (2)	12	months @	6.50% (13,652)
Interest allowance (build) (3)	3	months @	6.50% (28,295)
Developers Profit	2,671,000	@	18.00% (480,780)
TOTAL COSTS			(2,601,436)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	69,564

SENSITIVITY ANALYSIS						
	Values					
	69,564	80%	90%	100%	110%	120%
Construction Costs		(183,949)	24,262	232,513	440,744	646,976
		(265,424)	(57,193)	151,039	359,270	567,501
		(346,898)	(138,667)	69,564	277,795	486,026
		(428,373)	(220,142)	(11,911)	196,320	404,551
		(509,848)	(301,617)	(93,386)	114,846	323,077

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3
MCM6a.

ASSUMPTIONS			
Land Acquisition Value	200,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	38.00	units per hectare	

VALUES			
	£	# units	
2 Bed houses	137,000	4	26.7%
3 Bed houses	169,000	7	46.7%
4+ Bed houses	235,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			2,671,000
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			2,671,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(205,834)
SDLT	205,834	@	Rate (1,116)
Acquisition Agent fees	205,834	@	1% (2,058)
Acquisition Legal fees	205,834	@	0.5% (1,029)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	110,000 per acre (133,187)
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	5% (68,737)
M4(2) Allowance for 20% of units	15	@	1000.00 per unit (15,000)
Professional Fees			
	1,591,654	@	10% (159,165)
Disposal Costs -			
Sale Agents Costs	2,671,000	GDV @	1.00% (26,710)
Sale Legal Costs	2,671,000	GDV @	0.50% (13,355)
Marketing and Promotion (1)	2,671,000	GDV @	2.50% (66,775)
Finance Costs -			
Finance Fees	2,074,627	@	1.00% (20,746)
Interest allowance (land) (2)	12	months @	6.50% (13,652)
Interest allowance (build) (3)	3	months @	6.50% (28,563)
Developers Profit			
	2,671,000	@	18.00% (480,780)
TOTAL COSTS			(2,618,369)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	52,631

SENSITIVITY ANALYSIS						
Construction Costs	Values					
	52,631	80%	90%	100%	110%	120%
	90%	(200,882)	7,349	215,580	423,811	632,042
	95%	(282,357)	(74,126)	134,105	342,337	550,568
	100%	(363,832)	(155,600)	52,631	260,862	469,093
	105%	(445,306)	(237,075)	(28,844)	179,387	387,618
	110%	(526,781)	(318,550)	(110,319)	97,912	306,144

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3 MCM6b.

ASSUMPTIONS			
Land Acquisition Value	200,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	35.00	units per hectare	

VALUES			
	£	# units	
2 Bed houses	141,000	4	26.7%
3 Bed houses	189,863	7	46.7%
4+ Bed houses	241,327	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			2,858,349
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			2,858,349

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(217,448)
SDLT	217,448	@	Rate (1,348)
Acquisition Agent fees	217,448	@	1% (2,174)
Acquisition Legal fees	217,448	@	0.5% (1,087)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	110,000 per acre (133,187)
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	5% (73,574)
Professional Fees	1,678,244	@	10% (167,824)
Disposal Costs -			
Sale Agents Costs	2,858,349	GDV @	1.00% (28,583)
Sale Legal Costs	2,858,349	GDV @	0.50% (14,292)
Marketing and Promotion (1)	2,858,349	GDV @	2.50% (71,459)
Finance Costs -			
Finance Fees	2,189,390	@	1.00% (21,894)
Interest allowance (land) (2)	12	months @	6.50% (14,434)
Interest allowance (build) (3)	3	months @	6.50% (30,111)
Developers Profit	2,858,349	@	18.00% (514,503)
TOTAL COSTS			(2,770,332)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	88,017

SENSITIVITY ANALYSIS						
	Values					
	88,017	80%	90%	100%	110%	120%
Construction Costs						
	90%	(183,239)	39,598	262,435	485,271	708,108
	95%	(270,448)	(47,611)	175,226	398,063	620,900
	100%	(357,657)	(134,820)	88,017	310,854	533,691
	105%	(444,866)	(222,029)	808	223,645	446,482
	110%	(532,075)	(309,238)	(86,401)	136,436	359,273

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3
MCM6c.

ASSUMPTIONS			
Land Acquisition Value	200,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	35.00	units per hectare	

VALUES			
	£	# units	
2 Bed houses	141,000	4	26.7%
3 Bed houses	189,863	7	46.7%
4+ Bed houses	241,327	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
			2,858,349
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			2,858,349

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(218,436)
SDLT	218,436	@	Rate (1,348)
Acquisition Agent fees	218,436	@	1% (2,184)
Acquisition Legal fees	218,436	@	0.5% (1,092)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	110,000 per acre (141,341)
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	5% (73,574)
M4(2) Allowance for 20% of units	15	@	1000.00 per unit (15,000)
Professional Fees			
	1,701,399	@	10% (170,140)
Disposal Costs -			
Sale Agents Costs	2,858,349	GDV @	1.00% (28,583)
Sale Legal Costs	2,858,349	GDV @	0.50% (14,292)
Marketing and Promotion (1)	2,858,349	GDV @	2.50% (71,459)
Finance Costs -			
Finance Fees	2,215,863	@	1.00% (22,159)
Interest allowance (land) (2)	12	months @	6.50% (14,499)
Interest allowance (build) (3)	3	months @	6.50% (30,525)
Developers Profit			
	2,858,349	@	18.00% (514,503)
TOTAL COSTS			(2,797,549)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	60,800

SENSITIVITY ANALYSIS						
Construction Costs	Values					
	60,800	80%	90%	100%	110%	120%
	90%	(210,456)	12,381	235,218	458,055	680,892
	95%	(297,665)	(74,828)	148,009	370,846	593,683
	100%	(384,874)	(162,037)	60,800	283,637	506,474
	105%	(472,082)	(249,246)	(26,409)	196,428	419,265
	110%	(559,291)	(336,454)	(113,618)	109,219	332,056

NOTES	
(1)	marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.
(2)	interest on land throughout the period
(3)	interest on buildings based on build one - sell one unit per month
(4)	a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate
(4)	a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3 MCM7.

ASSUMPTIONS			
Land Acquisition Value	250,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.21	hectares	0.52 acres
Net Site Area	0.18	hectares	0.44 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GiA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	0	#DIV/0!
1 Bed Apartment	0	0	#DIV/0!
2 Bed Apartment	0	0	#DIV/0!
Residential density per ha	34.00	units per hectare	

VALUES			
	£	# units	
2 Bed houses	137,000	1	16.7%
3 Bed houses	169,000	3	50.0%
4+ Bed houses	235,000	2	33.3%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		6	100%
			1,114,000
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			1,114,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.18	ha	0.44 acres
Site Purchase Price			(110,268)
SDLT	110,268	@	Rate
Acquisition Agent fees	110,268	@	1%
Acquisition Legal fees	110,268	@	0.5%
Initial Payments -			
Statutory Planning Fees			(2,772)
Construction Costs -			
Demolition and Site Clearance (allowance)	0.52	acres (gross) @	0 per acre
Houses Build Costs	5,972	sqft @	92.00 psf
Bungalow Build Costs	-	sqft @	0.00 psf
Apartment Build Costs	-	sqft @	0.00 psf
External works inc. utilities reinforcement (allowance)	549,424	@	10%
Contingency	604,366	@	5%
Professional Fees	634,585	@	10%
Disposal Costs -			
Sale Agents Costs	1,114,000	GDV @	1.00%
Sale Legal Costs	1,114,000	GDV @	0.50%
Marketing and Promotion (1)	1,114,000	GDV @	2.50%
Finance Costs -			
Finance Fees	857,298	@	1.00%
Interest allowance (land) (2)	12	months @	6.50%
Interest allowance (build) (3)	3	months @	6.50%
Developers Profit	1,114,000	@	18.00%
TOTAL COSTS			(1,085,054)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	28,946

SENSITIVITY ANALYSIS						
	Values					
	28,946	80%	90%	100%	110%	120%
Construction Costs						
	90%	(73,112)	13,735	100,583	187,430	274,278
	95%	(108,930)	(22,083)	64,765	151,612	238,459
	100%	(144,749)	(57,901)	28,946	115,794	202,641
	105%	(180,567)	(93,720)	(6,872)	79,975	166,823
	110%	(216,385)	(129,538)	(42,690)	44,157	131,004

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180508 Lancaster Plan Wide Viability Model - Morecambe & Haysham Sites v3 MCM8.

ASSUMPTIONS			
Land Acquisition Value	200,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.21	hectares	0.52 acres
Net Site Area	0.18	hectares	0.44 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIa (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34.00	units per hectare	

VALUES				
	£	# units		
2 Bed houses	137,000	1	16.7%	137,000
3 Bed houses	169,000	3	50.0%	507,000
4+ Bed houses	235,000	2	33.3%	470,000
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		6	100%	1,114,000
less				
Affordable Housing (total)	0%			-
(of which) Social Rented	50%	60% discount from MV		-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		-
GROSS DEVELOPMENT VALUE				1,114,000

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.18	ha	0.44	acres
Site Purchase Price				(88,215)
SDLT	88,215	@	Rate	-
Acquisition Agent fees	88,215	@	1%	(882)
Acquisition Legal fees	88,215	@	0.5%	(441)
Initial Payments -				
Statutory Planning Fees				(2,772)
Construction Costs -				
Demolition and Site Clearance (allowance)	0.52	acres (gross) @	110,000	per acre
Houses Build Costs	5,972	sqft @	92.00	psf
Bungalow Build Costs	-	sqft @	0.00	psf
Apartment Build Costs	-	sqft @	0.00	psf
External works inc. utilities reinforcement (allowance)	549,424	@	10%	(54,942)
Contingency	604,366	@	5%	(30,218)
Professional Fees	691,665	@	10%	(69,166)
Disposal Costs -				
Sale Agents Costs	1,114,000	GDV @	1.00%	(11,140)
Sale Legal Costs	1,114,000	GDV @	0.50%	(5,570)
Marketing and Promotion (1)	1,114,000	GDV @	2.50%	(27,850)
Finance Costs -				
Finance Fees	897,701	@	1.00%	(8,977)
Interest allowance (land) (2)	12	months @	6.50%	(5,820)
Interest allowance (build) (3)	3	months @	6.50%	(12,409)
Developers Profit	1,114,000	@	18.00%	(200,520)
TOTAL COSTS				(1,125,427)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	(11,427)

SENSITIVITY ANALYSIS						
	Values					
	(11,427)	80%	90%	100%	110%	120%
Construction Costs	90%	(113,485)	(26,638)	60,210	147,057	233,905
	95%	(149,303)	(62,456)	24,392	111,239	198,086
	100%	(185,122)	(98,274)	(11,427)	75,421	162,268
	105%	(220,940)	(134,093)	(47,245)	39,602	126,450
	110%	(256,758)	(169,911)	(83,063)	3,784	90,631

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE1.

ASSUMPTIONS				
Land Acquisition Value	425,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.75	hectares	4.32	acres
Net Site Area	1.31	hectares	3.24	acres
Gross to Net Ratio	0.75			
	Net sales (sqft)	GIA (sqft)	Net to Gross %	
2 Bed houses	753	753	100.0%	
3 Bed houses	915	915	100.0%	
4+ Bed houses	1,237	1,237	100.0%	
2 Bed Bungalow	700	700	100.0%	
1 Bed Apartment	538	633	85.0%	
2 Bed Apartment	646	760	85.0%	
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	187,500	12	24.0%	2,250,000
3 Bed houses	225,000	15	30.0%	3,375,000
4+ Bed houses	300,000	12	24.0%	3,600,000
2 Bed Bungalow	192,500	5	10.0%	962,500
1 Bed Apartment	126,500	3	6.0%	379,500
2 Bed Apartment	151,000	3	6.0%	453,000
		50	100%	11,020,000
less				
Affordable Housing (total)	40%			
(of which) Social Rented	50%	60% discount from MV		(1,322,400)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(440,800)
GROSS DEVELOPMENT VALUE				9,256,800

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31	ha	3.24	acres
Site Purchase Price				(1,378,355)
SDLT	1,378,355	@	Rate	(58,417)
Acquisition Agent fees	1,378,355	@	1%	(13,784)
Acquisition Legal fees	1,378,355	@	0.5%	(6,892)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	3.24	acres (gross) @	0	per acre
Houses Build Costs	37,605	sqft @	75.00	psf
Bungalow Build Costs	3,500	sqft @	111.67	psf
Apartment Build Costs	4,179	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	3,689,548	@	15%	(553,432)
Contingency	4,242,981	@	3%	(127,289)
Professional Fees	4,370,270	@	8%	(349,622)
Disposal Costs -				
Sale Agents Costs	9,256,800	GDV @	1.00%	(92,568)
Sale Legal Costs	9,256,800	GDV @	0.50%	(46,284)
Marketing and Promotion (1)	9,256,800	GDV @	2.50%	(231,420)
Finance Costs -				
Finance Fees	6,570,711	@	1.00%	(65,707)
Interest allowance (land) (2)	24	months @	6.00%	(174,894)
Interest allowance (build) (3)	3	months @	6.00%	(71,145)
Developers Profit	9,256,800	@	18.00%	(1,666,224)
TOTAL COSTS				(8,548,680)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	708,120

SENSITIVITY ANALYSIS						
	Values					
	708,120	80%	90%	100%	110%	120%
Construction Costs	90%	(176,600)	482,030	1,140,659	1,799,289	2,457,918
	95%	(392,869)	265,760	924,390	1,583,019	2,241,649
	100%	(609,139)	49,490	708,120	1,366,749	2,025,379
	105%	(825,409)	(166,780)	491,850	1,150,479	1,809,109
	110%	(1,041,679)	(383,049)	275,580	934,210	1,592,839

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE1a.

ASSUMPTIONS			
Land Acquisition Value	425,000 per acre		
Developers Profit	18.0% on GDV		
Gross Site Area	1.75 hectares	4.32	acres
Net Site Area	1.31 hectares	3.24	acres
Gross to Net Ratio	0.75		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38 units per hectare		

VALUES				
	£	# units		
2 Bed houses	187,500	12	24.0%	2,250,000
3 Bed houses	225,000	15	30.0%	3,375,000
4+ Bed houses	300,000	12	24.0%	3,600,000
2 Bed Bungalow	192,500	5	10.0%	962,500
1 Bed Apartment	126,500	3	6.0%	379,500
2 Bed Apartment	151,000	3	6.0%	453,000
		50	100%	11,020,000
/less				
Affordable Housing (total)	40%			
(of which) Social Rented	50%	60% discount from MV		(1,322,400)
(of which) Discounted Sale (I.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(440,800)
GROSS DEVELOPMENT VALUE				9,256,800

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31 ha	3.24 acres		
Site Purchase Price				(1,378,355)
SDLT	1,378,355 @	Rate		(58,417)
Acquisition Agent fees	1,378,355 @	1%		(13,784)
Acquisition Legal fees	1,378,355 @	0.5%		(6,892)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	3.24 acres (gross) @	0 per acre		-
Houses Build Costs	37,605 sqft @	75.00 psf		(2,820,375)
Bungalow Build Costs	3,500 sqft @	111.67 psf		(390,845)
Apartment Build Costs	4,179 sqft @	114.46 psf		(478,328)
External works inc. utilities reinforcement (allowance)	3,689,548 @	15%		(553,432)
Contingency	4,242,981 @	3%		(127,289)
M4(2) Allowance for 20% of units	10 @	1000.00 per unit		(10,000)
Professional Fees	4,380,270 @	8%		(350,422)
Disposal Costs -				
Sale Agents Costs	9,256,800 GDV @	1.00%		(92,568)
Sale Legal Costs	9,256,800 GDV @	0.50%		(46,284)
Marketing and Promotion (1)	9,256,800 GDV @	2.50%		(231,420)
Finance Costs -				
Finance Fees	6,581,511 @	1.00%		(65,815)
Interest allowance (land) (2)	24 months @	6.00%		(174,894)
Interest allowance (build) (3)	3 months @	6.00%		(71,307)
Developers Profit	9,256,800 @	18.00%		(1,666,224)
TOTAL COSTS				(8,559,750)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	697,050

SENSITIVITY ANALYSIS						
	Values					
	697,050	80%	90%	100%	110%	120%
Construction Costs		(187,670)	470,960	1,129,589	1,788,219	2,446,848
		(403,939)	254,690	913,320	1,571,949	2,230,579
		(620,209)	38,420	697,050	1,355,679	2,014,309
		(836,479)	(177,850)	480,780	1,139,409	1,798,039
		(1,052,749)	(394,119)	264,510	923,140	1,581,769

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate tax	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE1b.

ASSUMPTIONS			
Land Acquisition Value	425,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	1.85	hectares	4.57 acres
Net Site Area	1.39	hectares	3.43 acres
Gross to Net Ratio	0.75		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	652	85.0%
2 Bed Apartment	678	798	85.0%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	192,500	12	24.0%
3 Bed houses	252,000	15	30.0%
4+ Bed houses	307,500	12	24.0%
2 Bed Bungalow	192,500	5	10.0%
1 Bed Apartment	130,000	3	6.0%
2 Bed Apartment	158,000	3	6.0%
		50	100%
			11,606,500
less			
Affordable Housing (total)	40%		
(of which) Social Rented	50%	60% discount from MV	(1,392,780)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(464,260)
GROSS DEVELOPMENT VALUE			9,749,460

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	1.39	ha	3.43 acres
Site Purchase Price			(1,457,118)
SDLT	1,457,118	@	Rate (62,355)
Acquisition Agent fees	1,457,118	@	1% (14,571)
Acquisition Legal fees	1,457,118	@	0.5% (7,286)
Initial Payments -			
Statutory Planning Fees			(23,100)
Construction Costs -			
Demolition and Site Clearance (allowance)	4.57	acres (gross) @	0 per acre -
Houses Build Costs	39,960	sqft @	75.00 psf (2,997,000)
Bungalow Build Costs	3,500	sqft @	111.67 psf (390,845)
Apartment Build Costs	4,350	sqft @	114.46 psf (497,901)
External works inc. utilities reinforcement (allowance)	3,885,746	@	15% (582,862)
Contingency	4,468,608	@	3% (134,058)
Professional Fees	4,602,666	@	8% (368,213)
Disposal Costs -			
Sale Agents Costs	9,749,460	GDV @	1.00% (97,495)
Sale Legal Costs	9,749,460	GDV @	0.50% (48,747)
Marketing and Promotion (1)	9,749,460	GDV @	2.50% (243,737)
Finance Costs -			
Finance Fees	6,925,287	@	1.00% (69,253)
Interest allowance (land) (2)	24	months @	6.00% (184,960)
Interest allowance (build) (3)	3	months @	6.00% (74,910)
Developers Profit	9,749,460	@	18.00% (1,754,903)
TOTAL COSTS			(9,009,312)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	740,148

SENSITIVITY ANALYSIS						
	Values					
	740,148	80%	90%	100%	110%	120%
Construction Costs	90%	(195,661)	501,376	1,198,414	1,895,451	2,592,488
	95%	(424,794)	272,243	969,281	1,666,318	2,363,355
	100%	(653,927)	43,110	740,148	1,437,185	2,134,222
	105%	(883,060)	(186,023)	511,015	1,208,052	1,905,089
	110%	(1,112,193)	(415,155)	281,882	978,919	1,675,956

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE2.

ASSUMPTIONS			
Land Acquisition Value	375,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	1.75	hectares	4.32 acres
Net Site Area	1.31	hectares	3.24 acres
Gross to Net Ratio	0.75		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38	units per hectare	

VALUES			
	£	# units	
2 Bed houses	187,500	12	24.0%
3 Bed houses	225,000	15	30.0%
4+ Bed houses	300,000	12	24.0%
2 Bed Bungalow	192,500	5	10.0%
1 Bed Apartment	126,500	3	6.0%
2 Bed Apartment	151,000	3	6.0%
		50	100%
			11,020,000
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(991,800)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(330,600)
GROSS DEVELOPMENT VALUE			9,697,600

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	1.31	ha	3.24 acres
Site Purchase Price			(1,216,195)
SDLT	1,216,195	@	Rate (50,309)
Acquisition Agent fees	1,216,195	@	1% (12,162)
Acquisition Legal fees	1,216,195	@	0.5% (6,081)
Initial Payments -			
Statutory Planning Fees			(23,100)
Construction Costs -			
Demolition and Site Clearance (allowance)	4.32	acres (gross) @	105,000 per acre (454,046)
Houses Build Costs	37,605	sqft @	75.00 psf (2,820,375)
Bungalow Build Costs	3,500	sqft @	111.67 psf (390,845)
Apartment Build Costs	4,179	sqft @	114.46 psf (478,328)
External works inc. utilities reinforcement (allowance)	3,689,548	@	15% (553,432)
Contingency	4,242,981	@	5% (212,149)
Professional Fees	4,909,176	@	9% (441,826)
Disposal Costs -			
Sale Agents Costs	9,697,600	GDV @	1.00% (96,976)
Sale Legal Costs	9,697,600	GDV @	0.50% (48,488)
Marketing and Promotion (1)	9,697,600	GDV @	2.50% (242,440)
Finance Costs -			
Finance Fees	7,046,753	@	1.00% (70,468)
Interest allowance (land) (2)	24	months @	6.00% (154,170)
Interest allowance (build) (3)	3	months @	6.00% (80,612)
Developers Profit	9,697,600	@	18.00% (1,745,568)
TOTAL COSTS			(9,097,570)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	600,030

SENSITIVITY ANALYSIS						
	Values					
	600,030	80%	90%	100%	110%	120%
Construction Costs	90%	(334,934)	355,069	1,045,062	1,735,044	2,425,037
	95%	(557,445)	132,548	822,541	1,512,534	2,202,527
	100%	(779,955)	(89,962)	600,030	1,290,023	1,980,016
	105%	(1,002,466)	(312,473)	377,520	1,067,512	1,757,505
	110%	(1,224,976)	(534,984)	155,009	845,002	1,534,995

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE2a.

ASSUMPTIONS			
Land Acquisition Value	375,000 per acre		
Developers Profit	18.0% on GDV		
Gross Site Area	1.75 hectares	4.32	acres
Net Site Area	1.31 hectares	3.24	acres
Gross to Net Ratio	0.75		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38 units per hectare		

VALUES				
	£	# units		
2 Bed houses	187,500	12	24.0%	2,250,000
3 Bed houses	225,000	15	30.0%	3,375,000
4+ Bed houses	300,000	12	24.0%	3,600,000
2 Bed Bungalow	192,500	5	10.0%	962,500
1 Bed Apartment	126,500	3	6.0%	379,500
2 Bed Apartment	151,000	3	6.0%	453,000
		50	100%	11,020,000
less				
Affordable Housing (total)	30%			
(of which) Social Rented	50%	60% discount from MV		(991,800)
(of which) Discounted Sale (I.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(330,600)
GROSS DEVELOPMENT VALUE				9,697,600

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31 ha	3.24 acres		
Site Purchase Price				(1,216,195)
SDLT	1,216,195 @	Rate		(50,309)
Acquisition Agent fees	1,216,195 @	1%		(12,162)
Acquisition Legal fees	1,216,195 @	0.5%		(6,081)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.32 acres (gross) @	105,000 per acre		(454,046)
Houses Build Costs	37,605 sqft @	75.00 psf		(2,820,375)
Bungalow Build Costs	3,500 sqft @	111.67 psf		(390,845)
Apartment Build Costs	4,179 sqft @	114.46 psf		(478,328)
External works inc. utilities reinforcement (allowance)	3,689,548 @	15%		(553,432)
Contingency	4,242,981 @	5%		(212,149)
M4(2) Allowance for 20% of units	50 @	1000.00 per unit		(50,000)
Professional Fees	4,959,176 @	9%		(446,326)
Disposal Costs -				
Sale Agents Costs	9,697,600 GDV @	1.00%		(96,976)
Sale Legal Costs	9,697,600 GDV @	0.50%		(48,488)
Marketing and Promotion (1)	9,697,600 GDV @	2.50%		(242,440)
Finance Costs -				
Finance Fees	7,101,253 @	1.00%		(71,013)
Interest allowance (land) (2)	24 months @	6.00%		(154,170)
Interest allowance (build) (3)	3 months @	6.00%		(81,429)
Developers Profit	9,697,600 @	18.00%		(1,745,568)
TOTAL COSTS				(9,153,432)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	544,168

SENSITIVITY ANALYSIS						
	Values					
	544,168	80%	90%	100%	110%	120%
Construction Costs		(390,796)	299,196	989,189	1,679,182	2,369,175
		(613,307)	76,686	766,678	1,456,671	2,146,664
		(835,818)	(145,825)	544,168	1,234,161	1,924,153
		(1,058,328)	(368,336)	321,657	1,011,650	1,701,643
		(1,280,839)	(590,846)	99,147	789,139	1,479,132

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft
RE2b.

ASSUMPTIONS			
Land Acquisition Value	375,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	1.85	hectares	4.57 acres
Net Site Area	1.39	hectares	3.43 acres
Gross to Net Ratio	0.75		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	554	652	85.0%
2 Bed Apartment	678	798	85.0%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	192,500	12	24.0%
3 Bed houses	252,000	15	30.0%
4+ Bed houses	307,500	12	24.0%
2 Bed Bungalow	192,500	5	10.0%
1 Bed Apartment	130,000	3	6.0%
2 Bed Apartment	158,000	3	6.0%
		50	100%
			11,606,500
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(1,044,585)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(348,195)
GROSS DEVELOPMENT VALUE			10,213,720

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	1.39	ha	3.43 acres
Site Purchase Price			(1,285,692)
SDLT	1,285,692	@	Rate (53,784)
Acquisition Agent fees	1,285,692	@	1% (12,857)
Acquisition Legal fees	1,285,692	@	0.5% (6,428)
Initial Payments -			
Statutory Planning Fees			(23,100)
Construction Costs -			
Demolition and Site Clearance (allowance)	4.57	acres (gross) @	105,000 per acre (479,992)
Houses Build Costs	39,960	sqft @	75.00 psf (2,997,000)
Bungalow Build Costs	3,500	sqft @	111.67 psf (390,845)
Apartment Build Costs	4,350	sqft @	114.46 psf (497,901)
External works inc. utilities reinforcement (allowance)	3,885,746	@	15% (582,862)
Contingency	4,468,608	@	5% (223,430)
Professional Fees			
	5,172,030	@	9% (465,483)
Disposal Costs -			
Sale Agents Costs	10,213,720	GDV @	1.00% (102,137)
Sale Legal Costs	10,213,720	GDV @	0.50% (51,069)
Marketing and Promotion (1)	10,213,720	GDV @	2.50% (255,343)
Finance Costs -			
Finance Fees	7,427,923	@	1.00% (74,279)
Interest allowance (land) (2)	24	months @	6.00% (163,051)
Interest allowance (build) (3)	3	months @	6.00% (84,909)
Developers Profit			
	10,213,720	@	18.00% (1,838,470)
TOTAL COSTS			(9,588,633)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	625,087

SENSITIVITY ANALYSIS						
Construction Costs	Values					
	625,087	80%	90%	100%	110%	120%
	90%	(363,882)	366,348	1,096,577	1,826,807	2,557,036
	95%	(599,627)	130,603	860,832	1,591,062	2,321,291
	100%	(835,372)	(105,142)	625,087	1,355,317	2,085,546
	105%	(1,071,116)	(340,887)	389,343	1,119,572	1,849,802
	110%	(1,306,861)	(576,632)	153,598	883,827	1,614,057

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE3.

ASSUMPTIONS			
Land Acquisition Value	425,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.49	hectares	1.21 acres
Net Site Area	0.42	hectares	1.03 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	36	units per hectare	

VALUES			
	£	# units	
2 Bed houses	187,500	4	26.7%
3 Bed houses	225,000	7	46.7%
4+ Bed houses	300,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,525,000
less			
Affordable Housing (total)	40%		
(of which) Social Rented	50%	60% discount from MV	(423,000)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(141,000)
GROSS DEVELOPMENT VALUE			2,961,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42	ha	1.03 acres
Site Purchase Price			(437,398)
SDLT	437,398	@	Rate (11,369)
Acquisition Agent fees	437,398	@	1% (4,374)
Acquisition Legal fees	437,398	@	0.5% (2,187)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	0 per acre -
Houses Build Costs	14,365	sqft @	87.00 psf (1,249,755)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,249,755	@	10% (124,976)
Contingency	1,374,731	@	3% (41,242)
Professional Fees	1,415,972	@	9% (127,438)
Disposal Costs -			
Sale Agents Costs	2,961,000	GDV @	1.00% (29,610)
Sale Legal Costs	2,961,000	GDV @	0.50% (14,805)
Marketing and Promotion (1)	2,961,000	GDV @	2.50% (74,025)
Finance Costs -			
Finance Fees	2,124,108	@	1.00% (21,241)
Interest allowance (land) (2)	12	months @	6.50% (29,596)
Interest allowance (build) (3)	3	months @	6.50% (25,193)
Developers Profit	2,961,000	@	18.00% (532,980)
TOTAL COSTS			(2,733,118)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	227,882

SENSITIVITY ANALYSIS						
	Values					
	227,882	80%	90%	100%	110%	120%
Construction Costs	90%	(75,405)	155,435	386,274	617,114	847,953
	95%	(154,601)	76,238	307,078	537,918	768,757
	100%	(233,797)	(2,958)	227,882	458,721	689,561
	105%	(312,994)	(82,154)	148,686	379,525	610,365
	110%	(392,190)	(161,350)	69,489	300,329	531,168

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE3a.

ASSUMPTIONS			
Land Acquisition Value	425,000 per acre		
Developers Profit	18.0% on GDV		
Gross Site Area	0.49 hectares	1.21	acres
Net Site Area	0.42 hectares	1.03	acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	36 units per hectare		

VALUES			
	£	# units	
2 Bed houses	187,500	4	26.7%
3 Bed houses	225,000	7	46.7%
4+ Bed houses	300,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,525,000
/less			
Affordable Housing (total)	40%		
(of which) Social Rented	50%	60% discount from MV	(423,000)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(141,000)
GROSS DEVELOPMENT VALUE			2,961,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42 ha	1.03 acres	
Site Purchase Price			(437,398)
SDLT	437,398 @	Rate	(11,369)
Acquisition Agent fees	437,398 @	1%	(4,374)
Acquisition Legal fees	437,398 @	0.5%	(2,187)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21 acres (gross) @	0 per acre	-
Houses Build Costs	14,365 sqft @	87.00 psf	(1,249,755)
Bungalow Build Costs	- sqft @	0.00 psf	-
Apartment Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	1,249,755 @	10%	(124,976)
Contingency	1,374,731 @	3%	(41,242)
M4(2) Allowance for 20% of units	3 @	1000.00 per unit	(3,000)
Professional Fees	1,418,972 @	9%	(127,708)
Disposal Costs -			
Sale Agents Costs	2,961,000 GDV @	1.00%	(29,610)
Sale Legal Costs	2,961,000 GDV @	0.50%	(14,805)
Marketing and Promotion (1)	2,961,000 GDV @	2.50%	(74,025)
Finance Costs -			
Finance Fees	2,127,378 @	1.00%	(21,274)
Interest allowance (land) (2)	12 months @	6.50%	(29,596)
Interest allowance (build) (3)	3 months @	6.50%	(25,246)
Developers Profit	2,961,000 @	18.00%	(532,980)
TOTAL COSTS			(2,736,474)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	224,526

SENSITIVITY ANALYSIS						
	Values					
	224,526	80%	90%	100%	110%	120%
Construction Costs	90%	(78,761)	152,079	382,918	613,758	844,598
	95%	(157,957)	72,883	303,722	534,562	765,401
	100%	(237,153)	(6,314)	224,526	455,366	686,205
	105%	(316,349)	(85,510)	145,330	376,169	607,009
	110%	(395,546)	(164,706)	66,134	296,973	527,813

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate b	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE3b.

ASSUMPTIONS				
Land Acquisition Value	425,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	0.52	hectares	1.28	acres
Net Site Area	0.44	hectares	1.09	acres
Gross to Net Ratio	0.85			
	Net sales (sqft)	GIA (sqft)	Net to Gross %	
2 Bed houses	775	775	100.0%	
3 Bed houses	1,028	1,028	100.0%	
4+ Bed houses	1,270	1,270	100.0%	
2 Bed Bungalow	0	700	0.0%	
1 Bed Apartment	0	633	0.0%	
2 Bed Apartment	0	760	0.0%	
Residential density per ha	34	units per hectare		

VALUES				
	£	# units		
2 Bed houses	192,500	4	26.7%	770,000
3 Bed houses	252,000	7	46.7%	1,764,000
4+ Bed houses	307,500	4	26.7%	1,230,000
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		15	100%	3,764,000
less				
Affordable Housing (total)	40%			
(of which) Social Rented	50%	60% discount from MV		(451,680)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(150,560)
GROSS DEVELOPMENT VALUE				3,161,760

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.44	ha	1.09	acres
Site Purchase Price				(464,177)
SDLT	464,177	@	Rate	(12,708)
Acquisition Agent fees	464,177	@	1%	(4,642)
Acquisition Legal fees	464,177	@	0.5%	(2,321)
Initial Payments -				
Statutory Planning Fees				(6,930)
Construction Costs -				
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	0	per acre
Houses Build Costs	15,376	sqft @	87.00	psf
Bungalow Build Costs	-	sqft @	0.00	psf
Apartment Build Costs	-	sqft @	0.00	psf
External works inc. utilities reinforcement (allowance)	1,337,712	@	10%	(133,771)
Contingency	1,471,483	@	3%	(44,144)
Professional Fees	1,515,628	@	9%	(136,406)
Disposal Costs -				
Sale Agents Costs	3,161,760	GDV @	1.00%	(31,618)
Sale Legal Costs	3,161,760	GDV @	0.50%	(15,809)
Marketing and Promotion (1)	3,161,760	GDV @	2.50%	(79,044)
Finance Costs -				
Finance Fees	2,269,283	@	1.00%	(22,693)
Interest allowance (land) (2)	12	months @	6.50%	(31,450)
Interest allowance (build) (3)	3	months @	6.50%	(26,958)
Developers Profit	3,161,760	@	18.00%	(569,117)
TOTAL COSTS				(2,919,501)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	242,259

SENSITIVITY ANALYSIS						
	Values					
	242,259	80%	90%	100%	110%	120%
Construction Costs	90%	(81,182)	165,309	411,799	658,290	904,781
	95%	(165,952)	80,539	327,029	573,520	820,011
	100%	(250,722)	(4,231)	242,259	488,750	735,241
	105%	(335,492)	(89,001)	157,489	403,980	650,471
	110%	(420,262)	(173,771)	72,719	319,210	565,701

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE4.

ASSUMPTIONS				
Land Acquisition Value	375,000	per acre		
Developers Profit	20.0%	on GDV		
Gross Site Area	0.49	hectares	1.21	acres
Net Site Area	0.42	hectares	1.03	acres
Gross to Net Ratio	0.85			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	0		700	0.0%
1 Bed Apartment	0		633	0.0%
2 Bed Apartment	0		760	0.0%
Residential density per ha	36	units per hectare		

VALUES				
	£	# units		
2 Bed houses	187,500	4	26.7%	750,000
3 Bed houses	225,000	7	46.7%	1,575,000
4+ Bed houses	300,000	4	26.7%	1,200,000
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		15	100%	3,525,000
less				
Affordable Housing (total)	30%			
(of which) Social Rented	50%	60% discount from MV		(317,250)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(105,750)
GROSS DEVELOPMENT VALUE				3,102,000

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.42	ha	1.03	acres
Site Purchase Price				(385,939)
SDLT	385,939	@	Rate	(8,796)
Acquisition Agent fees	385,939	@	1%	(3,859)
Acquisition Legal fees	385,939	@	0.5%	(1,930)
Initial Payments -				
Statutory Planning Fees				(6,930)
Construction Costs -				
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	110,000	per acre
Houses Build Costs	14,365	sqft @	87.00	psf
Bungalow Build Costs	-	sqft @	0.00	psf
Apartment Build Costs	-	sqft @	0.00	psf
External works inc. utilities reinforcement (allowance)	1,249,755	@	10%	(124,976)
Contingency	1,374,731	@	5%	(68,737)
Professional Fees	1,576,654	@	10%	(157,665)
Disposal Costs -				
Sale Agents Costs	3,102,000	GDV @	1.00%	(31,020)
Sale Legal Costs	3,102,000	GDV @	0.50%	(15,510)
Marketing and Promotion (1)	3,102,000	GDV @	2.50%	(77,550)
Finance Costs -				
Finance Fees	2,265,854	@	1.00%	(22,659)
Interest allowance (land) (2)	12	months @	6.50%	(26,034)
Interest allowance (build) (3)	3	months @	6.50%	(28,295)
Developers Profit	3,102,000	@	18.00%	(558,360)
TOTAL COSTS				(2,901,202)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	200,798

SENSITIVITY ANALYSIS						
	Values					
	200,798	80%	90%	100%	110%	120%
Construction Costs	90%	(119,916)	121,916	363,748	605,580	847,412
	95%	(201,391)	40,441	282,273	524,105	765,937
	100%	(282,865)	(41,034)	200,798	442,630	684,462
	105%	(364,340)	(122,508)	119,324	361,156	602,988
	110%	(445,815)	(203,983)	37,849	279,681	521,513

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE4a.

ASSUMPTIONS			
Land Acquisition Value	375,000 per acre		
Developers Profit	20.0% on GDV		
Gross Site Area	0.49 hectares	1.21	acres
Net Site Area	0.42 hectares	1.03	acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	36 units per hectare		

VALUES			
	£	# units	
2 Bed houses	187,500	4	26.7%
3 Bed houses	225,000	7	46.7%
4+ Bed houses	300,000	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,525,000
/less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(317,250)
(of which) Discounted Sale (I.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(105,750)
GROSS DEVELOPMENT VALUE			3,102,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42 ha	1.03 acres	
Site Purchase Price			(385,939)
SDLT	385,939 @	Rate	(8,796)
Acquisition Agent fees	385,939 @	1%	(3,859)
Acquisition Legal fees	385,939 @	0.5%	(1,930)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21 acres (gross) @	110,000 per acre	(133,187)
Houses Build Costs	14,365 sqft @	87.00 psf	(1,249,755)
Bungalow Build Costs	- sqft @	0.00 psf	-
Apartment Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	1,249,755 @	10%	(124,976)
Contingency	1,374,731 @	5%	(68,737)
M4(2) Allowance for 20% of units	3 @	1000.00 per unit	(3,000)
Professional Fees	1,579,654 @	10%	(157,965)
Disposal Costs -			
Sale Agents Costs	3,102,000 GDV @	1.00%	(31,020)
Sale Legal Costs	3,102,000 GDV @	0.50%	(15,510)
Marketing and Promotion (1)	3,102,000 GDV @	2.50%	(77,550)
Finance Costs -			
Finance Fees	2,269,154 @	1.00%	(22,692)
Interest allowance (land) (2)	12 months @	6.50%	(26,034)
Interest allowance (build) (3)	3 months @	6.50%	(28,349)
Developers Profit	3,102,000 @	18.00%	(558,360)
TOTAL COSTS			(2,904,588)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	197,412

SENSITIVITY ANALYSIS						
	Values	80%	90%	100%	110%	120%
Construction Costs	197,412					
	90%	(123,303)	118,529	360,361	602,193	844,025
	95%	(204,777)	37,055	278,886	520,718	762,550
	100%	(286,252)	(44,420)	197,412	439,244	681,076
	105%	(367,727)	(125,895)	115,937	357,769	599,601
	110%	(449,201)	(207,370)	34,462	276,294	518,126

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate b	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE4b.

ASSUMPTIONS			
Land Acquisition Value	375,000	per acre	
Developers Profit	20.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	192,500	4	770,000
3 Bed houses	252,000	7	1,764,000
4+ Bed houses	307,500	4	1,230,000
2 Bed Bungalow	0	0	-
1 Bed Apartment	0	0	-
2 Bed Apartment	0	0	-
		15	3,764,000
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(338,760)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(112,920)
GROSS DEVELOPMENT VALUE			3,312,320

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(409,568)
SDLT	409,568	@	Rate (9,978)
Acquisition Agent fees	409,568	@	1% (4,096)
Acquisition Legal fees	409,568	@	0.5% (2,048)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	110,000 per acre (141,341)
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	5% (73,574)
Professional Fees	1,686,399	@	10% (168,640)
Disposal Costs -			
Sale Agents Costs	3,312,320	GDV @	1.00% (33,123)
Sale Legal Costs	3,312,320	GDV @	0.50% (16,562)
Marketing and Promotion (1)	3,312,320	GDV @	2.50% (82,808)
Finance Costs -			
Finance Fees	2,420,151	@	1.00% (24,202)
Interest allowance (land) (2)	12	months @	6.50% (27,670)
Interest allowance (build) (3)	3	months @	6.50% (30,257)
Developers Profit	3,312,320	@	18.00% (596,218)
TOTAL COSTS			(3,098,497)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	213,823

SENSITIVITY ANALYSIS						
	Values					
	213,823	80%	90%	100%	110%	120%
Construction Costs	90%	(128,216)	130,012	388,241	646,469	904,698
	95%	(215,425)	42,803	301,032	559,260	817,489
	100%	(302,634)	(44,405)	213,823	472,052	730,280
	105%	(389,843)	(131,614)	126,614	384,843	643,071
	110%	(477,052)	(218,823)	39,405	297,634	555,862

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE5.

ASSUMPTIONS			
Land Acquisition Value	425,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.21	hectares	0.52 acres
Net Site Area	0.18	hectares	0.44 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	0	#DIV/0!
1 Bed Apartment	0	0	#DIV/0!
2 Bed Apartment	0	0	#DIV/0!
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	187,500	1	16.7%
3 Bed houses	225,000	3	50.0%
4+ Bed houses	300,000	2	33.3%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		6	100%
			1,462,500
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			
			1,462,500

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.18	ha	0.44 acres
Site Purchase Price			(187,456)
SDLT	187,456	@	Rate 749
Acquisition Agent fees	187,456	@	1% (1,875)
Acquisition Legal fees	187,456	@	0.5% (937)
Initial Payments -			
Statutory Planning Fees			(2,772)
Construction Costs -			
Demolition and Site Clearance (allowance)	0.52	acres (gross) @	0 per acre -
Houses Build Costs	5,972	sqft @	92.00 psf (549,424)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	549,424	@	10% (54,942)
Contingency	604,366	@	5% (30,218)
Professional Fees	634,585	@	10% (63,458)
Disposal Costs -			
Sale Agents Costs	1,462,500	GDV @	1.00% (14,625)
Sale Legal Costs	1,462,500	GDV @	0.50% (7,313)
Marketing and Promotion (1)	1,462,500	GDV @	2.50% (36,563)
Finance Costs -			
Finance Fees	948,834	@	1.00% (9,488)
Interest allowance (land) (2)	12	months @	6.50% (12,319)
Interest allowance (build) (3)	3	months @	6.50% (11,388)
Developers Profit	1,462,500	@	18.00% (263,250)
TOTAL COSTS			
			(1,245,280)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	217,220

SENSITIVITY ANALYSIS						
	Values					
	217,220	80%	90%	100%	110%	120%
Construction Costs	90%	60,824	174,841	288,867	402,874	516,890
	95%	25,006	139,022	253,039	367,055	481,072
	100%	(10,813)	103,204	217,220	331,237	445,253
	105%	(46,631)	67,386	181,402	295,419	409,435
	110%	(82,449)	31,567	145,584	259,600	373,617

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE6.

ASSUMPTIONS				
Land Acquisition Value	375,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	0.21	hectares	0.52	acres
Net Site Area	0.18	hectares	0.44	acres
Gross to Net Ratio	0.85			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	0		700	0.0%
1 Bed Apartment	0		633	0.0%
2 Bed Apartment	0		760	0.0%
Residential density per ha	34	units per hectare		

VALUES				
	£	# units		
2 Bed houses	187,500	1	16.7%	187,500
3 Bed houses	225,000	3	50.0%	675,000
4+ Bed houses	300,000	2	33.3%	600,000
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		6	100%	1,462,500
less				
Affordable Housing (total)	0%			
(of which) Social Rented	50%	60% discount from MV		-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		-
GROSS DEVELOPMENT VALUE				1,462,500

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.18	ha	0.44	acres
Site Purchase Price				(165,403)
SDLT	165,403	@	Rate	(308)
Acquisition Agent fees	165,403	@	1%	(1,654)
Acquisition Legal fees	165,403	@	0.5%	(827)
Initial Payments -				
Statutory Planning Fees				(2,772)
Construction Costs -				
Demolition and Site Clearance (allowance)	0.52	acres (gross) @	110,000	per acre
Houses Build Costs	5,972	sqft @	92.00	psf
Bungalow Build Costs	-	sqft @	0.00	psf
Apartment Build Costs	-	sqft @	0.00	psf
External works inc. utilities reinforcement (allowance)	549,424	@	10%	(54,942)
Contingency	604,366	@	5%	(30,218)
Professional Fees	691,665	@	10%	(69,166)
Disposal Costs -				
Sale Agents Costs	1,462,500	GDV @	1.00%	(14,625)
Sale Legal Costs	1,462,500	GDV @	0.50%	(7,313)
Marketing and Promotion (1)	1,462,500	GDV @	2.50%	(36,563)
Finance Costs -				
Finance Fees	990,295	@	1.00%	(9,903)
Interest allowance (land) (2)	12	months @	6.50%	(10,932)
Interest allowance (build) (3)	3	months @	6.50%	(12,409)
Developers Profit	1,462,500	@	18.00%	(263,250)
TOTAL COSTS				(1,286,789)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	175,711

SENSITIVITY ANALYSIS						
	Values					
	175,711	80%	90%	100%	110%	120%
Construction Costs	90%	19,315	133,331	247,348	361,364	475,381
	95%	(16,504)	97,513	211,529	325,546	439,562
	100%	(52,322)	61,695	175,711	289,728	403,744
	105%	(88,140)	25,876	139,893	253,909	367,926
	110%	(123,959)	(9,942)	104,074	218,091	332,107

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural East Sites v2 Draft RE7.

ASSUMPTIONS			
Land Acquisition Value	425,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.06	hectares	0.15 acres
Net Site Area	0.06	hectares	0.15 acres
Gross to Net Ratio	1.00		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	0	0	#DIV/0!
4+ Bed houses	0	0	#DIV/0!
2 Bed Bungalow	0	0	#DIV/0!
1 Bed Apartment	0	0	#DIV/0!
2 Bed Apartment	0	0	#DIV/0!
Residential density per ha	30	units per hectare	

VALUES			
	£	# units	
2 Bed houses	187,500	2	100.0%
3 Bed houses	0	0	0.0%
4+ Bed houses	0	0	0.0%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		2	100%
			375,000
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			375,000

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.06	ha	0.15 acres
Site Purchase Price			(63,011)
SDLT	63,011	@	Rate
Acquisition Agent fees	63,011	@	1%
Acquisition Legal fees	63,011	@	0.5%
Initial Payments -			
Statutory Planning Fees			(924)
Construction Costs -			
Demolition and Site Clearance (allowance)	0.15	acres (gross) @	0 per acre
Houses Build Costs	1,506	sqft @	92.00 psf
Bungalow Build Costs	-	sqft @	0.00 psf
Apartment Build Costs	-	sqft @	0.00 psf
External works inc. utilities reinforcement (allowance)	138,552	@	10%
Contingency	152,407	@	5%
Professional Fees	160,028	@	10%
Disposal Costs -			
Sale Agents Costs	375,000	GDV @	1.00%
Sale Legal Costs	375,000	GDV @	0.50%
Marketing and Promotion (1)	375,000	GDV @	2.50%
Finance Costs -			
Finance Fees	255,910	@	1.00%
Interest allowance (land) (2)	12	months @	6.50%
Interest allowance (build) (3)	3	months @	6.50%
Developers Profit	375,000	@	18.00%
TOTAL COSTS			(333,002)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	41,998

SENSITIVITY ANALYSIS						
	Values					
	41,998	80%	90%	100%	110%	120%
Construction Costs	90%	1,593	30,828	60,063	89,298	118,533
	95%	(7,439)	21,796	51,031	80,266	109,501
	100%	(16,472)	12,763	41,998	71,233	100,468
	105%	(25,504)	3,731	32,966	62,201	91,436
	110%	(34,537)	(5,302)	23,933	53,168	82,403

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW1.

ASSUMPTIONS				
Land Acquisition Value	375,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.75	hectares	4.32	acres
Net Site Area	1.31	hectares	3.24	acres
Gross to Net Ratio	0.75			
	Net sales (sqft)	GIA (sqft)	Net to Gross %	
2 Bed houses	753	753	100.0%	
3 Bed houses	915	915	100.0%	
4+ Bed houses	1,237	1,237	100.0%	
2 Bed Bungalow	700	700	100.0%	
1 Bed Apartment	538	633	85.0%	
2 Bed Apartment	646	760	85.0%	
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	175,449	12	24.0%	2,105,388
3 Bed houses	211,365	15	30.0%	3,170,475
4+ Bed houses	283,273	12	24.0%	3,399,276
2 Bed Bungalow	182,000	5	10.0%	910,000
1 Bed Apartment	120,512	3	6.0%	361,536
2 Bed Apartment	144,058	3	6.0%	432,174
		50	100%	10,378,849
less				
Affordable Housing (total)	30%			
(of which) Social Rented	50%	60% discount from MV		(934,096)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(311,365)
GROSS DEVELOPMENT VALUE				9,133,387

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31	ha	3.24	acres
Site Purchase Price				(1,216,195)
SDLT	1,216,195	@	Rate	(50,309)
Acquisition Agent fees	1,216,195	@	1%	(12,162)
Acquisition Legal fees	1,216,195	@	0.5%	(6,081)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.32	acres (gross) @	0	per acre
Houses Build Costs	37,605	sqft @	78.00	psf
Bungalow Build Costs	3,500	sqft @	111.67	psf
Apartment Build Costs	4,179	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	3,802,363	@	15%	(570,355)
Contingency	4,372,718	@	3%	(131,182)
Professional Fees	4,503,899	@	8%	(360,312)
Disposal Costs -				
Sale Agents Costs	9,133,387	GDV @	1.00%	(91,334)
Sale Legal Costs	9,133,387	GDV @	0.50%	(45,667)
Marketing and Promotion (1)	9,133,387	GDV @	2.50%	(228,335)
Finance Costs -				
Finance Fees	6,537,394	@	1.00%	(65,374)
Interest allowance (land) (2)	24	months @	6.00%	(154,170)
Interest allowance (build) (3)	3	months @	6.00%	(73,310)
Developers Profit	9,133,387	@	18.00%	(1,644,010)
TOTAL COSTS				(8,474,257)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	659,130

SENSITIVITY ANALYSIS						
	Values					
	659,130	80%	90%	100%	110%	120%
Construction Costs	90%	(192,754)	456,854	1,106,463	1,756,071	2,405,680
	95%	(416,421)	233,188	882,796	1,532,405	2,182,013
	100%	(640,087)	9,522	659,130	1,308,739	1,958,347
	105%	(863,753)	(214,145)	435,464	1,085,072	1,734,681
	110%	(1,087,419)	(437,811)	211,798	861,406	1,511,015

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW1a.

ASSUMPTIONS			
Land Acquisition Value	375,000 per acre		
Developers Profit	18.0% on GDV		
Gross Site Area	1.75 hectares	4.32	acres
Net Site Area	1.31 hectares	3.24	acres
Gross to Net Ratio	0.75		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38 units per hectare		

VALUES			
	£	# units	
2 Bed houses	175,449	12	24.0%
3 Bed houses	211,365	15	30.0%
4+ Bed houses	283,273	12	24.0%
2 Bed Bungalow	182,000	5	10.0%
1 Bed Apartment	120,512	3	6.0%
2 Bed Apartment	144,058	3	6.0%
		50	100%
			10,378,849
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(934,096)
(of which) Discounted Sale (I.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(311,365)
GROSS DEVELOPMENT VALUE			9,133,387

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	1.31 ha	3.24 acres	
Site Purchase Price			(1,216,195)
SDLT	1,216,195 @	Rate	(50,309)
Acquisition Agent fees	1,216,195 @	1%	(12,162)
Acquisition Legal fees	1,216,195 @	0.5%	(6,081)
Initial Payments -			
Statutory Planning Fees			(23,100)
Construction Costs -			
Demolition and Site Clearance (allowance)	3.24 acres (gross) @	0 per acre	-
Houses Build Costs	37,605 sqft @	78.00 psf	(2,933,190)
Bungalow Build Costs	3,500 sqft @	111.67 psf	(390,845)
Apartment Build Costs	4,179 sqft @	114.46 psf	(478,328)
External works inc. utilities reinforcement (allowance)	3,802,363 @	15%	(570,355)
Contingency	4,372,718 @	3%	(131,182)
M4(2) Allowance for 20% of units	50 @	1000.00 per unit	(50,000)
Professional Fees	4,553,899 @	8%	(364,312)
Disposal Costs -			
Sale Agents Costs	9,133,387 GDV @	1.00%	(91,334)
Sale Legal Costs	9,133,387 GDV @	0.50%	(45,667)
Marketing and Promotion (1)	9,133,387 GDV @	2.50%	(228,335)
Finance Costs -			
Finance Fees	6,591,394 @	1.00%	(65,914)
Interest allowance (land) (2)	24 months @	6.00%	(154,170)
Interest allowance (build) (3)	3 months @	6.00%	(74,120)
Developers Profit	9,133,387 @	18.00%	(1,644,010)
TOTAL COSTS			(8,529,607)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	603,780

SENSITIVITY ANALYSIS						
	Values					
	603,780	80%	90%	100%	110%	120%
Construction Costs		(248,104)	401,504	1,051,113	1,700,721	2,350,330
		(471,771)	177,838	827,446	1,477,055	2,126,663
		(695,437)	(45,828)	603,780	1,253,389	1,902,997
		(919,103)	(269,495)	380,114	1,029,722	1,679,331
		(1,142,769)	(493,161)	156,448	806,056	1,455,665

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate bid	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW1b.

ASSUMPTIONS				
Land Acquisition Value	375,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.85	hectares	4.57	acres
Net Site Area	1.39	hectares	3.43	acres
Gross to Net Ratio	0.75			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	775		775	100.0%
3 Bed houses	1,028		1,028	100.0%
4+ Bed houses	1,270		1,270	100.0%
2 Bed Bungalow	700		700	100.0%
1 Bed Apartment	554		652	85.0%
2 Bed Apartment	678		798	85.0%
Residential density per ha	36	units per hectare		

VALUES				
	£	# units		
2 Bed houses	180,575	12	24.0%	2,166,900
3 Bed houses	237,457	15	30.0%	3,561,855
4+ Bed houses	290,862	12	24.0%	3,490,344
2 Bed Bungalow	182,000	5	10.0%	910,000
1 Bed Apartment	124,172	3	6.0%	372,516
2 Bed Apartment	151,222	3	6.0%	453,666
		50	100%	10,955,281
less				
Affordable Housing (total)	30%			
(of which) Social Rented	50%	60% discount from MV		(985,975)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(328,658)
GROSS DEVELOPMENT VALUE				9,640,647

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.39	ha	3.43	acres
Site Purchase Price				(1,285,692)
SDLT	1,285,692	@	Rate	(53,784)
Acquisition Agent fees	1,285,692	@	1%	(12,857)
Acquisition Legal fees	1,285,692	@	0.5%	(6,428)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.57	acres (gross) @	0	per acre
Houses Build Costs	39,960	sqft @	78.00	psf
Bungalow Build Costs	3,500	sqft @	111.67	psf
Apartment Build Costs	4,350	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	4,005,626	@	15%	(600,844)
Contingency	4,606,470	@	3%	(138,194)
Professional Fees	4,744,664	@	8%	(379,573)
Disposal Costs -				
Sale Agents Costs	9,640,647	GDV @	1.00%	(96,406)
Sale Legal Costs	9,640,647	GDV @	0.50%	(48,203)
Marketing and Promotion (1)	9,640,647	GDV @	2.50%	(241,016)
Finance Costs -				
Finance Fees	6,891,725	@	1.00%	(68,917)
Interest allowance (land) (2)	24	months @	6.00%	(163,051)
Interest allowance (build) (3)	3	months @	6.00%	(77,210)
Developers Profit	9,640,647	@	18.00%	(1,735,317)
TOTAL COSTS				(8,936,220)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	704,428

SENSITIVITY ANALYSIS						
	Values					
	704,428	80%	90%	100%	110%	120%
Construction Costs	90%	(199,896)	489,258	1,178,413	1,867,567	2,556,722
	95%	(436,889)	252,266	941,420	1,630,575	2,319,729
	100%	(673,881)	15,273	704,428	1,393,582	2,082,736
	105%	(910,874)	(221,720)	467,435	1,156,589	1,845,744
	110%	(1,147,867)	(458,712)	230,442	919,597	1,608,751

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW2.

ASSUMPTIONS				
Land Acquisition Value	325,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.75	hectares	4.32	acres
Net Site Area	1.31	hectares	3.24	acres
Gross to Net Ratio	0.75			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	700		700	100.0%
1 Bed Apartment	538		633	85.0%
2 Bed Apartment	646		760	85.0%
Residential density per ha	38	units per hectare		

VALUES				
	£	# units		
2 Bed houses	175,449	12	24.0%	2,105,388
3 Bed houses	211,365	15	30.0%	3,170,475
4+ Bed houses	283,273	12	24.0%	3,399,276
2 Bed Bungalow	182,000	5	10.0%	910,000
1 Bed Apartment	120,512	3	6.0%	361,536
2 Bed Apartment	144,058	3	6.0%	432,174
		50	100%	10,378,849
less				
Affordable Housing (total)	20%			
(of which) Social Rented	50%	60% discount from MV		(622,731)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(207,577)
GROSS DEVELOPMENT VALUE				9,548,541

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31	ha	3.24	acres
Site Purchase Price				(1,054,036)
SDLT	1,054,036	@	Rate	(42,201)
Acquisition Agent fees	1,054,036	@	1%	(10,540)
Acquisition Legal fees	1,054,036	@	0.5%	(5,270)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.32	acres (gross) @	105,000	per acre
				(454,046)
Houses Build Costs	37,605	sqft @	78.00	psf
				(2,933,190)
Bungalow Build Costs	3,500	sqft @	111.67	psf
				(390,845)
Apartment Build Costs	4,179	sqft @	114.46	psf
				(478,328)
External works inc. utilities reinforcement (allowance)	3,802,363	@	15%	(570,355)
Contingency	4,372,718	@	5%	(218,636)
Professional Fees				
	5,045,400	@	9%	(454,086)
Disposal Costs -				
Sale Agents Costs	9,548,541	GDV @	1.00%	(95,485)
Sale Legal Costs	9,548,541	GDV @	0.50%	(47,743)
Marketing and Promotion (1)	9,548,541	GDV @	2.50%	(238,714)
Finance Costs -				
Finance Fees	7,016,575	@	1.00%	(70,166)
Interest allowance (land) (2)	24	months @	6.00%	(133,446)
Interest allowance (build) (3)	3	months @	6.00%	(82,839)
Developers Profit				
	9,548,541	@	18.00%	(1,718,737)
TOTAL COSTS				(9,021,763)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	526,778

SENSITIVITY ANALYSIS						
	Values					
	526,778	80%	90%	100%	110%	120%
Construction Costs	90%	(371,253)	307,883	987,019	1,666,155	2,345,292
	95%	(601,374)	77,763	756,899	1,436,035	2,115,171
	100%	(831,494)	(152,358)	526,778	1,205,914	1,885,051
	105%	(1,061,614)	(382,478)	296,658	975,794	1,654,930
	110%	(1,291,735)	(612,599)	66,537	745,674	1,424,810

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW2a.

ASSUMPTIONS			
Land Acquisition Value	325,000 per acre		
Developers Profit	18.0% on GDV		
Gross Site Area	1.75 hectares	4.32	acres
Net Site Area	1.31 hectares	3.24	acres
Gross to Net Ratio	0.75		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	700	700	100.0%
1 Bed Apartment	538	633	85.0%
2 Bed Apartment	646	760	85.0%
Residential density per ha	38 units per hectare		

VALUES				
	£	# units		
2 Bed houses	175,449	12	24.0%	2,105,388
3 Bed houses	211,365	15	30.0%	3,170,475
4+ Bed houses	283,273	12	24.0%	3,399,276
2 Bed Bungalow	182,000	5	10.0%	910,000
1 Bed Apartment	120,512	3	6.0%	361,536
2 Bed Apartment	144,058	3	6.0%	432,174
		50	100%	10,378,849
less				
Affordable Housing (total)	20%			
(of which) Social Rented	50%	60% discount from MV		(622,731)
(of which) Discounted Sale (I.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(207,577)
GROSS DEVELOPMENT VALUE				9,548,541

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.31 ha	3.24 acres		
Site Purchase Price				(1,054,036)
SDLT	1,054,036 @	Rate		(42,201)
Acquisition Agent fees	1,054,036 @	1%		(10,540)
Acquisition Legal fees	1,054,036 @	0.5%		(5,270)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.32 acres (gross) @	105,000 per acre		(454,046)
Houses Build Costs	37,605 sqft @	78.00 psf		(2,933,190)
Bungalow Build Costs	3,500 sqft @	111.67 psf		(390,845)
Apartment Build Costs	4,179 sqft @	114.46 psf		(478,328)
External works inc. utilities reinforcement (allowance)	3,802,363 @	15%		(570,355)
Contingency	4,372,718 @	5%		(218,636)
M4(2) Allowance for 20% of units	50 @	1000.00 per unit		(50,000)
Professional Fees	5,095,400 @	9%		(458,586)
Disposal Costs -				
Sale Agents Costs	9,548,541 GDV @	1.00%		(95,485)
Sale Legal Costs	9,548,541 GDV @	0.50%		(47,743)
Marketing and Promotion (1)	9,548,541 GDV @	2.50%		(238,714)
Finance Costs -				
Finance Fees	7,071,075 @	1.00%		(70,711)
Interest allowance (land) (2)	24 months @	6.00%		(133,446)
Interest allowance (build) (3)	3 months @	6.00%		(83,656)
Developers Profit	9,548,541 @	18.00%		(1,718,737)
TOTAL COSTS				(9,077,625)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	470,916

SENSITIVITY ANALYSIS						
	Values					
	470,916	80%	90%	100%	110%	120%
Construction Costs		(427,116)	252,021	931,157	1,610,293	2,289,429
		(657,236)	21,900	701,036	1,380,172	2,059,309
		(887,356)	(208,220)	470,916	1,150,052	1,829,188
		(1,117,477)	(438,341)	240,795	919,932	1,599,068
		(1,347,597)	(668,461)	10,675	689,811	1,368,947

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW2b.

ASSUMPTIONS				
Land Acquisition Value	325,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	1.85	hectares	4.57	acres
Net Site Area	1.39	hectares	3.43	acres
Gross to Net Ratio	0.75			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	775		775	100.0%
3 Bed houses	1,028		1,028	100.0%
4+ Bed houses	1,270		1,270	100.0%
2 Bed Bungalow	700		700	100.0%
1 Bed Apartment	554		652	85.0%
2 Bed Apartment	678		798	85.0%
Residential density per ha	36	units per hectare		

VALUES				
	£	# units		
2 Bed houses	180,575	12	24.0%	2,166,900
3 Bed houses	237,457	15	30.0%	3,561,855
4+ Bed houses	290,862	12	24.0%	3,490,344
2 Bed Bungalow	182,000	5	10.0%	910,000
1 Bed Apartment	124,172	3	6.0%	372,516
2 Bed Apartment	151,222	3	6.0%	453,666
		50	100%	10,955,281
less				
Affordable Housing (total)	20%			
(of which) Social Rented	50%	60% discount from MV		(657,317)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(219,106)
GROSS DEVELOPMENT VALUE				10,078,859

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	1.39	ha	3.43	acres
Site Purchase Price				(1,114,267)
SDLT	1,114,267	@	Rate	(45,213)
Acquisition Agent fees	1,114,267	@	1%	(11,143)
Acquisition Legal fees	1,114,267	@	0.5%	(5,571)
Initial Payments -				
Statutory Planning Fees				(23,100)
Construction Costs -				
Demolition and Site Clearance (allowance)	4.57	acres (gross) @	105,000	per acre
Houses Build Costs	39,960	sqft @	78.00	psf
Bungalow Build Costs	3,500	sqft @	111.67	psf
Apartment Build Costs	4,350	sqft @	114.46	psf
External works inc. utilities reinforcement (allowance)	4,005,626	@	15%	(600,844)
Contingency	4,606,470	@	5%	(230,323)
Professional Fees	5,316,785	@	9%	(478,511)
Disposal Costs -				
Sale Agents Costs	10,078,859	GDV @	1.00%	(100,789)
Sale Legal Costs	10,078,859	GDV @	0.50%	(50,394)
Marketing and Promotion (1)	10,078,859	GDV @	2.50%	(251,971)
Finance Costs -				
Finance Fees	7,397,744	@	1.00%	(73,977)
Interest allowance (land) (2)	24	months @	6.00%	(141,143)
Interest allowance (build) (3)	3	months @	6.00%	(87,276)
Developers Profit	10,078,859	@	18.00%	(1,814,195)
TOTAL COSTS				(9,514,335)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	564,524

SENSITIVITY ANALYSIS						
	Values					
	564,524	80%	90%	100%	110%	120%
Construction Costs	90%	(388,773)	331,707	1,052,186	1,772,666	2,493,146
	95%	(632,604)	87,875	808,355	1,528,835	2,249,314
	100%	(876,436)	(155,956)	564,524	1,285,003	2,005,483
	105%	(1,120,267)	(399,787)	320,692	1,041,172	1,761,652
	110%	(1,364,098)	(643,619)	76,861	797,341	1,517,820

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW3.

ASSUMPTIONS				
Land Acquisition Value	375,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	0.49	hectares	1.21	acres
Net Site Area	0.42	hectares	1.03	acres
Gross to Net Ratio	0.85			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	0		700	0.0%
1 Bed Apartment	0		633	0.0%
2 Bed Apartment	0		760	0.0%
Residential density per ha	36	units per hectare		

VALUES				
	£	# units		
2 Bed houses	175,449	4	26.7%	701,796
3 Bed houses	211,365	7	46.7%	1,479,555
4+ Bed houses	283,273	4	26.7%	1,133,092
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		15	100%	3,314,443
less				
Affordable Housing (total)	30%			
(of which) Social Rented	50%	60% discount from MV		(298,300)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(99,433)
GROSS DEVELOPMENT VALUE				2,916,710

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.42	ha	1.03	acres
Site Purchase Price				(385,939)
SDLT	385,939	@	Rate	(8,796)
Acquisition Agent fees	385,939	@	1%	(3,859)
Acquisition Legal fees	385,939	@	0.5%	(1,930)
Initial Payments -				
Statutory Planning Fees				(6,930)
Construction Costs -				
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	0	per acre
Houses Build Costs	14,365	sqft @	87.00	psf
Bungalow Build Costs	-	sqft @	0.00	psf
Apartment Build Costs	-	sqft @	0.00	psf
External works inc. utilities reinforcement (allowance)	1,249,755	@	10%	(124,976)
Contingency	1,374,731	@	3%	(41,242)
Professional Fees	1,415,972	@	9%	(127,438)
Disposal Costs -				
Sale Agents Costs	2,916,710	GDV @	1.00%	(29,167)
Sale Legal Costs	2,916,710	GDV @	0.50%	(14,584)
Marketing and Promotion (1)	2,916,710	GDV @	2.50%	(72,918)
Finance Costs -				
Finance Fees	2,067,533	@	1.00%	(20,675)
Interest allowance (land) (2)	12	months @	6.50%	(26,034)
Interest allowance (build) (3)	3	months @	6.50%	(25,193)
Developers Profit	2,916,710	@	18.00%	(525,008)
TOTAL COSTS				(2,664,443)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	252,267

SENSITIVITY ANALYSIS						
	Values					
	252,267	80%	90%	100%	110%	120%
Construction Costs	90%	(44,114)	183,273	410,659	638,046	865,433
	95%	(123,310)	104,076	331,463	558,850	786,237
	100%	(202,506)	24,880	252,267	479,654	707,040
	105%	(281,703)	(54,316)	173,071	400,457	627,844
	110%	(360,899)	(133,512)	93,874	321,261	548,648

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW3a.

ASSUMPTIONS			
Land Acquisition Value	375,000 per acre		
Developers Profit	18.0% on GDV		
Gross Site Area	0.49 hectares	1.21	acres
Net Site Area	0.42 hectares	1.03	acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	36 units per hectare		

VALUES			
	£	# units	
2 Bed houses	175,449	4	26.7%
3 Bed houses	211,365	7	46.7%
4+ Bed houses	283,273	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,314,443
/less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(298,300)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(99,433)
GROSS DEVELOPMENT VALUE			2,916,710

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42 ha	1.03 acres	
Site Purchase Price			(385,939)
SDLT	385,939 @	Rate	(8,796)
Acquisition Agent fees	385,939 @	1%	(3,859)
Acquisition Legal fees	385,939 @	0.5%	(1,930)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21 acres (gross) @	0 per acre	-
Houses Build Costs	14,365 sqft @	87.00 psf	(1,249,755)
Bungalow Build Costs	- sqft @	0.00 psf	-
Apartment Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	1,249,755 @	10%	(124,976)
Contingency	1,374,731 @	3%	(41,242)
M4(2) Allowance for 20% of units	3 @	1000.00 per unit	(3,000)
Professional Fees	1,418,972 @	9%	(127,708)
Disposal Costs -			
Sale Agents Costs	2,916,710 GDV @	1.00%	(29,167)
Sale Legal Costs	2,916,710 GDV @	0.50%	(14,584)
Marketing and Promotion (1)	2,916,710 GDV @	2.50%	(72,918)
Finance Costs -			
Finance Fees	2,070,803 @	1.00%	(20,708)
Interest allowance (land) (2)	12 months @	6.50%	(26,034)
Interest allowance (build) (3)	3 months @	6.50%	(25,246)
Developers Profit	2,916,710 @	18.00%	(525,008)
TOTAL COSTS			(2,667,799)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	248,911

SENSITIVITY ANALYSIS						
	Values					
	248,911	80%	90%	100%	110%	120%
Construction Costs		(47,470)	179,917	407,304	634,690	862,077
		(126,666)	100,721	328,107	555,494	782,881
		(205,862)	21,524	248,911	476,298	703,684
		(285,059)	(57,672)	169,715	397,102	624,488
		(364,255)	(136,868)	90,519	317,905	545,292

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate b	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW3b.

ASSUMPTIONS			
Land Acquisition Value	375,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.52	hectares	1.28 acres
Net Site Area	0.44	hectares	1.09 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	775	775	100.0%
3 Bed houses	1,028	1,028	100.0%
4+ Bed houses	1,270	1,270	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	180,575	4	26.7%
3 Bed houses	237,457	7	46.7%
4+ Bed houses	290,862	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,547,947
less			
Affordable Housing (total)	30%		
(of which) Social Rented	50%	60% discount from MV	(319,315)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(106,438)
GROSS DEVELOPMENT VALUE			3,122,193

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.44	ha	1.09 acres
Site Purchase Price			(409,568)
SDLT	409,568	@	Rate (9,978)
Acquisition Agent fees	409,568	@	1% (4,096)
Acquisition Legal fees	409,568	@	0.5% (2,048)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	0 per acre -
Houses Build Costs	15,376	sqft @	87.00 psf (1,337,712)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	1,337,712	@	10% (133,771)
Contingency	1,471,483	@	3% (44,144)
Professional Fees	1,515,628	@	9% (136,406)
Disposal Costs -			
Sale Agents Costs	3,122,193	GDV @	1.00% (31,222)
Sale Legal Costs	3,122,193	GDV @	0.50% (15,611)
Marketing and Promotion (1)	3,122,193	GDV @	2.50% (78,055)
Finance Costs -			
Finance Fees	2,209,542	@	1.00% (22,095)
Interest allowance (land) (2)	12	months @	6.50% (27,670)
Interest allowance (build) (3)	3	months @	6.50% (26,958)
Developers Profit	3,122,193	@	18.00% (561,995)
TOTAL COSTS			(2,848,260)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	273,933

SENSITIVITY ANALYSIS						
	Values					
	273,933	80%	90%	100%	110%	120%
Construction Costs	90%	(43,339)	200,067	443,473	686,880	930,286
	95%	(128,109)	115,297	358,703	602,110	845,516
	100%	(212,879)	30,527	273,933	517,340	760,746
	105%	(297,649)	(54,243)	189,163	432,570	675,976
	110%	(382,419)	(139,013)	104,393	347,800	591,206

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW4.

ASSUMPTIONS				
Land Acquisition Value	325,000	per acre		
Developers Profit	20.0%	on GDV		
Gross Site Area	0.49	hectares	1.21	acres
Net Site Area	0.42	hectares	1.03	acres
Gross to Net Ratio	0.85			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	915		915	100.0%
4+ Bed houses	1,237		1,237	100.0%
2 Bed Bungalow	0		700	0.0%
1 Bed Apartment	0		633	0.0%
2 Bed Apartment	0		760	0.0%
Residential density per ha	36	units per hectare		

VALUES				
	£	# units		
2 Bed houses	175,449	4	26.7%	701,796
3 Bed houses	211,365	7	46.7%	1,479,555
4+ Bed houses	283,273	4	26.7%	1,133,092
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		15	100%	3,314,443
less				
Affordable Housing (total)	20%			
(of which) Social Rented	50%	60% discount from MV		(198,867)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(66,289)
GROSS DEVELOPMENT VALUE				3,049,288

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.42	ha	1.03	acres
Site Purchase Price				(334,481)
SDLT	334,481	@	Rate	(6,224)
Acquisition Agent fees	334,481	@	1%	(3,345)
Acquisition Legal fees	334,481	@	0.5%	(1,672)
Initial Payments -				
Statutory Planning Fees				(6,930)
Construction Costs -				
Demolition and Site Clearance (allowance)	1.21	acres (gross) @	110,000	per acre
Houses Build Costs	14,365	sqft @	87.00	psf
Bungalow Build Costs	-	sqft @	0.00	psf
Apartment Build Costs	-	sqft @	0.00	psf
External works inc. utilities reinforcement (allowance)	1,249,755	@	10%	(124,976)
Contingency	1,374,731	@	5%	(68,737)
Professional Fees	1,576,654	@	10%	(157,665)
Disposal Costs -				
Sale Agents Costs	3,049,288	GDV @	1.00%	(30,493)
Sale Legal Costs	3,049,288	GDV @	0.50%	(15,246)
Marketing and Promotion (1)	3,049,288	GDV @	2.50%	(76,232)
Finance Costs -				
Finance Fees	2,208,943	@	1.00%	(22,089)
Interest allowance (land) (2)	12	months @	6.50%	(22,472)
Interest allowance (build) (3)	3	months @	6.50%	(28,295)
Developers Profit	3,049,288	@	18.00%	(548,872)
TOTAL COSTS				(2,830,671)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	218,616

SENSITIVITY ANALYSIS						
	Values					
	218,616	80%	90%	100%	110%	120%
Construction Costs	90%	(93,879)	143,843	381,566	619,288	857,011
	95%	(175,354)	62,369	300,091	537,814	775,536
	100%	(256,829)	(19,106)	218,616	456,339	694,061
	105%	(338,303)	(100,581)	137,142	374,864	612,587
	110%	(419,778)	(182,055)	55,667	293,389	531,112

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW4a.

ASSUMPTIONS			
Land Acquisition Value	325,000 per acre		
Developers Profit	20.0% on GDV		
Gross Site Area	0.49 hectares	1.21	acres
Net Site Area	0.42 hectares	1.03	acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	36 units per hectare		

VALUES			
	£	# units	
2 Bed houses	175,449	4	26.7%
3 Bed houses	211,365	7	46.7%
4+ Bed houses	283,273	4	26.7%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		15	100%
			3,314,443
/less			
Affordable Housing (total)	20%		
(of which) Social Rented	50%	60% discount from MV	(198,867)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	(66,289)
GROSS DEVELOPMENT VALUE			3,049,288

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.42 ha	1.03 acres	
Site Purchase Price			(334,481)
SDLT	334,481 @	Rate	(6,224)
Acquisition Agent fees	334,481 @	1%	(3,345)
Acquisition Legal fees	334,481 @	0.5%	(1,672)
Initial Payments -			
Statutory Planning Fees			(6,930)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.21 acres (gross) @	110,000 per acre	(133,187)
Houses Build Costs	14,365 sqft @	87.00 psf	(1,249,755)
Bungalow Build Costs	- sqft @	0.00 psf	-
Apartment Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	1,249,755 @	10%	(124,976)
Contingency	1,374,731 @	5%	(68,737)
M4(2) Allowance for 20% of units	15 @	1000.00 per unit	(15,000)
Professional Fees	1,591,654 @	10%	(159,165)
Disposal Costs -			
Sale Agents Costs	3,049,288 GDV @	1.00%	(30,493)
Sale Legal Costs	3,049,288 GDV @	0.50%	(15,246)
Marketing and Promotion (1)	3,049,288 GDV @	2.50%	(76,232)
Finance Costs -			
Finance Fees	2,225,443 @	1.00%	(22,254)
Interest allowance (land) (2)	12 months @	6.50%	(22,472)
Interest allowance (build) (3)	3 months @	6.50%	(28,563)
Developers Profit	3,049,288 @	18.00%	(548,872)
TOTAL COSTS			(2,847,604)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	201,683

SENSITIVITY ANALYSIS						
	Values	80%	90%	100%	110%	120%
Construction Costs	201,683					
90%	(110,812)		126,910	364,633	602,355	840,078
95%	(192,287)		45,435	283,158	520,880	758,603
100%	(273,762)		(36,039)	201,683	439,406	677,128
105%	(355,236)		(117,514)	120,209	357,931	595,653
110%	(436,711)		(198,989)	38,734	276,456	514,179

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate b	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL.	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW4b.

ASSUMPTIONS				
Land Acquisition Value	325,000	per acre		
Developers Profit	20.0%	on GDV		
Gross Site Area	0.52	hectares	1.28	acres
Net Site Area	0.44	hectares	1.09	acres
Gross to Net Ratio	0.85			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	775		775	100.0%
3 Bed houses	1,028		1,028	100.0%
4+ Bed houses	1,270		1,270	100.0%
2 Bed Bungalow	0		700	0.0%
1 Bed Apartment	0		633	0.0%
2 Bed Apartment	0		760	0.0%
Residential density per ha	34	units per hectare		

VALUES				
	£	# units		
2 Bed houses	180,575	4	26.7%	722,300
3 Bed houses	237,457	7	46.7%	1,662,199
4+ Bed houses	290,862	4	26.7%	1,163,448
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		15	100%	3,547,947
less				
Affordable Housing (total)	20%			
(of which) Social Rented	50%	60% discount from MV		(212,877)
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		(70,959)
GROSS DEVELOPMENT VALUE				3,264,111

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.44	ha	1.09	acres
Site Purchase Price				(354,959)
SDLT	354,959	@	Rate	(7,247)
Acquisition Agent fees	354,959	@	1%	(3,550)
Acquisition Legal fees	354,959	@	0.5%	(1,775)
Initial Payments -				
Statutory Planning Fees				(6,930)
Construction Costs -				
Demolition and Site Clearance (allowance)	1.28	acres (gross) @	110,000	per acre
Houses Build Costs	15,376	sqft @	87.00	psf
Bungalow Build Costs	-	sqft @	0.00	psf
Apartment Build Costs	-	sqft @	0.00	psf
External works inc. utilities reinforcement (allowance)	1,337,712	@	10%	(133,771)
Contingency	1,471,483	@	5%	(73,574)
Professional Fees	1,686,399	@	10%	(168,640)
Disposal Costs -				
Sale Agents Costs	3,264,111	GDV @	1.00%	(32,641)
Sale Legal Costs	3,264,111	GDV @	0.50%	(16,321)
Marketing and Promotion (1)	3,264,111	GDV @	2.50%	(81,603)
Finance Costs -				
Finance Fees	2,360,063	@	1.00%	(23,601)
Interest allowance (land) (2)	12	months @	6.50%	(23,889)
Interest allowance (build) (3)	3	months @	6.50%	(30,257)
Developers Profit	3,264,111	@	18.00%	(587,540)
TOTAL COSTS				(3,025,351)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	238,761

SENSITIVITY ANALYSIS						
	Values					
	238,761	80%	90%	100%	110%	120%
Construction Costs	90%	(95,762)	158,708	413,178	667,648	922,119
	95%	(182,971)	71,499	325,970	580,440	834,910
	100%	(270,180)	(15,709)	238,761	493,231	747,701
	105%	(357,388)	(102,918)	151,552	406,022	660,492
	110%	(444,597)	(190,127)	64,343	318,813	573,283

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW5.

ASSUMPTIONS			
Land Acquisition Value	375,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.21	hectares	0.52 acres
Net Site Area	0.18	hectares	0.44 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	0	#DIV/0!
1 Bed Apartment	0	0	#DIV/0!
2 Bed Apartment	0	0	#DIV/0!
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	175,449	1	16.7%
3 Bed houses	211,365	3	50.0%
4+ Bed houses	283,273	2	33.3%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		6	100%
			1,376,090
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			
			1,376,090

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.18	ha	0.44 acres
Site Purchase Price			(165,403)
SDLT	165,403	@	Rate (308)
Acquisition Agent fees	165,403	@	1% (1,654)
Acquisition Legal fees	165,403	@	0.5% (827)
Initial Payments -			
Statutory Planning Fees			(2,772)
Construction Costs -			
Demolition and Site Clearance (allowance)	0.52	acres (gross) @	0 per acre -
Houses Build Costs	5,972	sqft @	92.00 psf (549,424)
Bungalow Build Costs	-	sqft @	0.00 psf -
Apartment Build Costs	-	sqft @	0.00 psf -
External works inc. utilities reinforcement (allowance)	549,424	@	10% (54,942)
Contingency	604,366	@	5% (30,218)
Professional Fees	634,585	@	10% (63,458)
Disposal Costs -			
Sale Agents Costs	1,376,090	GDV @	1.00% (13,761)
Sale Legal Costs	1,376,090	GDV @	0.50% (6,880)
Marketing and Promotion (1)	1,376,090	GDV @	2.50% (34,402)
Finance Costs -			
Finance Fees	924,050	@	1.00% (9,241)
Interest allowance (land) (2)	12	months @	6.50% (10,932)
Interest allowance (build) (3)	3	months @	6.50% (11,388)
Developers Profit	1,376,090	@	18.00% (247,696)
TOTAL COSTS			
			(1,203,308)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	172,782

SENSITIVITY ANALYSIS						
	Values					
	172,782	80%	90%	100%	110%	120%
Construction Costs	90%	29,859	137,139	244,419	351,699	458,979
	95%	(5,959)	101,321	208,601	315,881	423,160
	100%	(41,778)	65,502	172,782	280,062	387,342
	105%	(77,596)	29,684	136,964	244,244	351,524
	110%	(113,414)	(6,134)	101,146	208,425	315,705

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land assuming phased drawdown of site in 4 tranches	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW6.

ASSUMPTIONS			
Land Acquisition Value	325,000	per acre	
Developers Profit	18.0%	on GDV	
Gross Site Area	0.21	hectares	0.52 acres
Net Site Area	0.18	hectares	0.44 acres
Gross to Net Ratio	0.85		
	Net sales (sqft)	GIA (sqft)	Net to Gross %
2 Bed houses	753	753	100.0%
3 Bed houses	915	915	100.0%
4+ Bed houses	1,237	1,237	100.0%
2 Bed Bungalow	0	700	0.0%
1 Bed Apartment	0	633	0.0%
2 Bed Apartment	0	760	0.0%
Residential density per ha	34	units per hectare	

VALUES			
	£	# units	
2 Bed houses	175,449	1	16.7%
3 Bed houses	211,365	3	50.0%
4+ Bed houses	283,273	2	33.3%
2 Bed Bungalow	0	0	0.0%
1 Bed Apartment	0	0	0.0%
2 Bed Apartment	0	0	0.0%
		6	100%
			1,376,090
less			
Affordable Housing (total)	0%		
(of which) Social Rented	50%	60% discount from MV	-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV	-
(of which) Intermediate	50%	20% discount from MV	-
GROSS DEVELOPMENT VALUE			
			1,376,090

DEVELOPMENT COSTS			
Site Acquisition -			
Net Site Area	0.18	ha	0.44 acres
Site Purchase Price			(143,349)
SDLT	143,349	@	Rate
Acquisition Agent fees	143,349	@	1%
Acquisition Legal fees	143,349	@	0.5%
Initial Payments -			
Statutory Planning Fees			(2,772)
Construction Costs -			
Demolition and Site Clearance (allowance)	0.52	acres (gross) @	110,000 per acre
Houses Build Costs	5,972	sqft @	92.00 psf
Bungalow Build Costs	-	sqft @	0.00 psf
Apartment Build Costs	-	sqft @	0.00 psf
External works inc. utilities reinforcement (allowance)	549,424	@	10%
Contingency	604,366	@	5%
Professional Fees	691,665	@	10%
Disposal Costs -			
Sale Agents Costs	1,376,090	GDV @	1.00%
Sale Legal Costs	1,376,090	GDV @	0.50%
Marketing and Promotion (1)	1,376,090	GDV @	2.50%
Finance Costs -			
Finance Fees	964,146	@	1.00%
Interest allowance (land) (2)	12	months @	6.50%
Interest allowance (build) (3)	3	months @	6.50%
Developers Profit	1,376,090	@	18.00%
TOTAL COSTS			
			(1,243,350)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	132,740

SENSITIVITY ANALYSIS						
	Values					
	132,740	80%	90%	100%	110%	120%
Construction Costs	90%	(10,183)	97,097	204,377	311,657	418,937
	95%	(46,001)	61,279	168,559	275,839	383,119
	100%	(81,820)	25,460	132,740	240,020	347,300
	105%	(117,638)	(10,358)	96,922	204,202	311,482
	110%	(153,456)	(46,176)	61,104	168,384	275,664

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Rural West Sites v2 Draft RW7.

ASSUMPTIONS				
Land Acquisition Value	375,000	per acre		
Developers Profit	18.0%	on GDV		
Gross Site Area	0.06	hectares	0.15	acres
Net Site Area	0.06	hectares	0.15	acres
Gross to Net Ratio	1.00			
	Net sales (sqft)		GIA (sqft)	Net to Gross %
2 Bed houses	753		753	100.0%
3 Bed houses	0		0	#DIV/0!
4+ Bed houses	0		0	#DIV/0!
2 Bed Bungalow	0		0	#DIV/0!
1 Bed Apartment	0		0	#DIV/0!
2 Bed Apartment	0		0	#DIV/0!
Residential density per ha	30	units per hectare		

VALUES				
	£	# units		
2 Bed houses	175,449	2	100.0%	350,898
3 Bed houses	211,365	0	0.0%	-
4+ Bed houses	283,273	0	0.0%	-
2 Bed Bungalow	0	0	0.0%	-
1 Bed Apartment	0	0	0.0%	-
2 Bed Apartment	0	0	0.0%	-
		2	100%	350,898
less				
Affordable Housing (total)	0%			
(of which) Social Rented	50%	60% discount from MV		-
(of which) Discounted Sale (i.e. Starter Homes)	0%	20% discount from MV		-
(of which) Intermediate	50%	20% discount from MV		-
GROSS DEVELOPMENT VALUE				350,898

DEVELOPMENT COSTS				
Site Acquisition -				
Net Site Area	0.06	ha	0.15	acres
Site Purchase Price				(55,598)
SDLT	55,598	@	Rate	-
Acquisition Agent fees	55,598	@	1%	(556)
Acquisition Legal fees	55,598	@	0.5%	(278)
Initial Payments -				
Statutory Planning Fees				(982)
Construction Costs -				
Demolition and Site Clearance (allowance)	0.15	acres (gross) @	110,000	per acre
Houses Build Costs	1,506	sqft @	92.00	psf
Bungalow Build Costs	-	sqft @	0.00	psf
Apartment Build Costs	-	sqft @	0.00	psf
External works inc. utilities reinforcement (allowance)	138,552	@	10%	(13,855)
Contingency	152,407	@	5%	(7,620)
Professional Fees	176,336	@	10%	(17,634)
Disposal Costs -				
Sale Agents Costs	350,898	GDV @	1.00%	(3,509)
Sale Legal Costs	350,898	GDV @	0.50%	(1,754)
Marketing and Promotion (1)	350,898	GDV @	2.50%	(8,772)
Finance Costs -				
Finance Fees	265,419	@	1.00%	(2,654)
Interest allowance (land) (2)	12	months @	6.50%	(3,668)
Interest allowance (build) (3)	3	months @	6.50%	(3,168)
Developers Profit	350,898	@	18.00%	(63,162)
TOTAL COSTS				(338,071)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (4)	12,827

SENSITIVITY ANALYSIS						
	Values					
	12,827	80%	90%	100%	110%	120%
Construction Costs	90%	(23,820)	3,536	30,892	58,248	85,604
	95%	(32,852)	(5,496)	21,860	49,216	76,572
	100%	(41,885)	(14,529)	12,827	40,183	67,539
	105%	(50,918)	(23,562)	3,794	31,150	58,506
	110%	(59,950)	(32,594)	(5,238)	22,118	49,474

NOTES	
(1) marketing and promotion includes show house and incentives e.g. Stamp Duty paid / white goods / carpets etc.	
(2) interest on land throughout the period	
(3) interest on buildings based on build one - sell one unit per month	
(4) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the appropriate	
(4) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Commercial Sites v2 Draft M1.

ASSUMPTIONS			
Land Acquisition Value	500,000 per acre		
Developers Profit	18.0% on costs		
	NIA (sqft)	GIA (sqft)	Net to Gross %
Commercial	6,000	7,000	85.7%
2 Bed Apartments (15 no.)	9,690	11,400	85.0%
1 Bed Apartments (15 no.)	8,070	9,495	85.0%
total floor area	23,760	27,895	85.2%
Site density	5,000 sqm per hectare		

VALUES				
Commercial	6,000 @	16.00 psf	96,000	
2 Bed Apartments	9,690 @	20.00 psf	193,800	
1 Bed Apartments	8,070 @	20.00 psf	161,400	
less				
management and maintenance	- @	0.0%	-	
Estimated Gross Rental Value per annum			451,200	
Yield	@	7.5%		
capitalised rent			6,016,000	
less				
Rent Free / Void allowance	0 months rent		-	
Purchasers costs	@	5.76%	(327,649)	5,688,351
GROSS DEVELOPMENT VALUE				5,688,351

DEVELOPMENT COSTS				
Site Acquisition -				
Site Area	0.760 ha	1.88 acres		
Site Purchase Price				(938,980)
SDLT	938,980 @	Rate		(36,449)
Acquisition Agent fees	938,980 @	1%		(9,390)
Acquisition Legal fees	938,980 @	0.5%		(4,695)
Initial Payments -				
Statutory Planning Fees				(18,480)
Construction Costs -				
Demolition and Site Clearance (allowance)	1.88 acres @	110,000 per acre		(206,576)
Build Costs	7,000 sqft @	84.63 psf		(592,410)
Build Costs	11,400 sqft @	84.63 psf		(964,782)
Build Costs	9,495 sqft @	84.63 psf		(803,562)
External works inc. utilities reinforcement (allowance)	2,360,754 @	10%		(236,075)
Contingency	2,596,829 @	5%		(129,841)
Professional Fees	2,933,246 @	9%		(263,992)
Disposal Costs -				
Letting Agents Costs	451,200 ERV @	10.00%		(45,120)
Letting Legal Costs	451,200 ERV @	5.00%		(22,560)
Investment Sale Agents Costs	5,688,351 GDV @	1.00%		(56,884)
Investment Sale Legal Costs	5,688,351 GDV @	0.50%		(28,442)
Marketing and Promotion	5,688,351 GDV @	3.00%		(170,651)
Finance Costs -				
Finance Fees	4,528,888 @	1.00%		(45,289)
Interest allowance (build and land) (1)	12 months @	6.00%		(135,867)
Developers Profit	4,710,043 @	18.00%		(847,808)
TOTAL COSTS				(5,557,851)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (2)	130,500

SENSITIVITY ANALYSIS						
	Values					
	130,500	80%	90%	100%	110%	120%
Construction Costs	90%	(579,611)	(42,190)	495,232	1,032,654	1,570,076
	95%	(761,978)	(224,556)	312,866	850,288	1,387,709
	100%	(944,344)	(406,922)	130,500	667,921	1,205,343
	105%	(1,126,710)	(589,288)	(51,867)	485,555	1,022,977
	110%	(1,309,076)	(771,655)	(234,233)	303,189	840,611

NOTES	
(1) interest is based on 1/2 development costs over the period as an approximation for the S-curve	
(2) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the ap	
(2) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Commercial Sites v2 Draft C1.

ASSUMPTIONS			
Land Acquisition Value	175,000	per acre	
Developers Profit	18.0%	on costs	
	NIA (sqft)	GIA (sqft)	Net to Gross %
Offices	27,000	30,000	90.0%
Industrial	38,000	40,000	95.0%
	0	0	#DIV/0!
total floor area	65,000	70,000	92.9%
Site density	4,000	sqm per hectare	

VALUES			
Offices	27,000 @	15.00 psf	405,000
Industrial	38,000 @	6.50 psf	247,000
	- @	0.00 psf	-
less			
management and maintenance	- @	0.0%	-
			-
Estimated Gross Rental Value per annum			652,000
Yield	@	7.5%	
capitalised rent			8,693,333
less			
Rent Free / Void allowance	3 months rent		(163,000)
Purchasers costs	@	5.76%	(464,587)
			8,065,746
GROSS DEVELOPMENT VALUE			8,065,746

DEVELOPMENT COSTS			
Site Acquisition -			
Site Area	2.08 ha	5.14 acres	
Site Purchase Price			(899,444)
SDLT	899,444 @	Rate	(34,472)
Acquisition Agent fees	899,444 @	1%	(8,994)
Acquisition Legal fees	899,444 @	0.5%	(4,497)
Initial Payments -			
Statutory Planning Fees			(29,759)
Construction Costs -			
Demolition and Site Clearance (allowance)	5.14 acres @	0 per acre	-
Build Costs	30,000 sqft @	98.00 psf	(2,940,000)
Build Costs	40,000 sqft @	60.00 psf	(2,400,000)
Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	5,340,000 @	10%	(534,000)
Contingency	5,874,000 @	3%	(176,220)
Professional Fees	6,050,220 @	9%	(544,520)
Disposal Costs -			
Letting Agents Costs	652,000 ERV @	10.00%	(65,200)
Letting Legal Costs	652,000 ERV @	5.00%	(32,600)
Investment Sale Agents Costs	8,065,746 GDV @	1.00%	(80,657)
Investment Sale Legal Costs	8,065,746 GDV @	0.50%	(40,329)
Marketing and Promotion	8,065,746 GDV @	3.00%	(241,972)
Finance Costs -			
Finance Fees	8,032,665 @	1.00%	(80,327)
Interest allowance (build and land) (1)	12 months @	6.00%	(240,980)
Developers Profit	8,353,972 @	18.00%	(1,503,715)
TOTAL COSTS			(9,857,687)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (2)	(1,791,940)

SENSITIVITY ANALYSIS						
	Values					
	(1,791,940)	80%	90%	100%	110%	120%
Construction Costs	90%	(2,506,698)	(1,744,666)	(982,634)	(220,601)	541,431
	95%	(2,911,352)	(2,149,319)	(1,387,287)	(625,255)	136,778
	100%	(3,316,005)	(2,553,973)	(1,791,940)	(1,029,908)	(267,875)
	105%	(3,720,658)	(2,958,626)	(2,196,593)	(1,434,561)	(672,529)
	110%	(4,125,311)	(3,363,279)	(2,601,247)	(1,839,214)	(1,077,182)

NOTES	
(1) interest is based on 1/2 development costs over the period as an approximation for the S-curve	
(2) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the ap	
(2) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Commercial Sites v2 Draft C2.

ASSUMPTIONS			
Land Acquisition Value	175,000	per acre	
Developers Profit	18.0%	on costs	
	NIA (sqft)	GIA (sqft)	Net to Gross %
Offices	27,000	30,000	90.0%
Industrial	38,000	40,000	95.0%
	0	0	#DIV/0!
total floor area	65,000	70,000	92.9%
Site density	4,000	sqm per hectare	

VALUES			
Offices	27,000 @	15.00 psf	405,000
Industrial	38,000 @	6.50 psf	247,000
	- @	0.00 psf	-
less			
management and maintenance	- @	0.0%	-
			-
Estimated Gross Rental Value per annum			652,000
Yield	@	7.5%	
capitalised rent			8,693,333
less			
Rent Free / Void allowance	3 months rent		(163,000)
Purchasers costs	@	5.76%	(464,587)
			8,065,746
GROSS DEVELOPMENT VALUE			8,065,746

DEVELOPMENT COSTS			
Site Acquisition -			
Site Area	2.08	ha	5.14 acres
Site Purchase Price			(899,444)
SDLT	899,444 @	Rate	(34,472)
Acquisition Agent fees	899,444 @	1%	(8,994)
Acquisition Legal fees	899,444 @	0.5%	(4,497)
Initial Payments -			
Statutory Planning Fees			(29,759)
Construction Costs -			
Demolition and Site Clearance (allowance)	5.14	acres @	100,000 per acre
			(513,968)
Build Costs	30,000	sqft @	98.00 psf
			(2,940,000)
Build Costs	40,000	sqft @	60.00 psf
			(2,400,000)
Build Costs	-	sqft @	0.00 psf
			-
External works inc. utilities reinforcement (allowance)	5,340,000 @	10%	(534,000)
Contingency	5,874,000 @	3%	(176,220)
Professional Fees	6,564,188 @	9%	(590,777)
Disposal Costs -			
Letting Agents Costs	652,000	ERV @	10.00%
			(65,200)
Letting Legal Costs	652,000	ERV @	5.00%
			(32,600)
Investment Sale Agents Costs	8,065,746	GDV @	1.00%
			(80,657)
Investment Sale Legal Costs	8,065,746	GDV @	0.50%
			(40,329)
Marketing and Promotion	8,065,746	GDV @	3.00%
			(241,972)
Finance Costs -			
Finance Fees	8,592,890 @	1.00%	(85,929)
Interest allowance (build and land) (1)	12	months @	6.00%
			(257,787)
Developers Profit	8,936,606 @	18.00%	(1,608,589)
TOTAL COSTS			(10,545,195)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (2)	(2,479,448)

SENSITIVITY ANALYSIS						
	Values					
	(2,479,448)	80%	90%	100%	110%	120%
Construction Costs	90%	(3,194,207)	(2,432,174)	(1,670,142)	(908,110)	(146,077)
	95%	(3,598,860)	(2,836,828)	(2,074,795)	(1,312,763)	(550,731)
	100%	(4,003,513)	(3,241,481)	(2,479,448)	(1,717,416)	(955,384)
	105%	(4,408,166)	(3,646,134)	(2,884,102)	(2,122,069)	(1,360,037)
	110%	(4,812,820)	(4,050,787)	(3,288,755)	(2,526,723)	(1,764,690)

NOTES	
(1) interest is based on 1/2 development costs over the period as an approximation for the S-curve	
(2) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the ap	
(2) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Commercial Sites v2 Draft C3.

ASSUMPTIONS			
Land Acquisition Value	175,000	per acre	
Developers Profit	18.0%	on costs	
	NIA (sqft)	GIA (sqft)	Net to Gross %
Offices	13,500	15,000	90.0%
Industrial	19,000	20,000	95.0%
	0	0	#DIV/0!
total floor area	32,500	35,000	92.9%
Site density	4,000	sqm per hectare	

VALUES			
Offices	13,500 @	15.00 psf	202,500
Industrial	19,000 @	7.25 psf	137,750
	- @	0.00 psf	-
less			
management and maintenance	- @	0.0%	-
			-
Estimated Gross Rental Value per annum			340,250
Yield	@	7.5%	
capitalised rent			4,536,667
less			
Rent Free / Void allowance	3 months rent		(85,063)
Purchasers costs	@	5.76%	(242,447)
			4,209,157
GROSS DEVELOPMENT VALUE			4,209,157

DEVELOPMENT COSTS			
Site Acquisition -			
Site Area	1.30 ha	3.21 acres	
Site Purchase Price			(562,153)
SDLT	562,153 @	Rate	(17,607)
Acquisition Agent fees	562,153 @	1%	(5,622)
Acquisition Legal fees	562,153 @	0.5%	(2,811)
Initial Payments -			
Statutory Planning Fees			(22,638)
Construction Costs -			
Demolition and Site Clearance (allowance)	3.21 acres @	0 per acre	-
Build Costs	15,000 sqft @	98.00 psf	(1,470,000)
Build Costs	20,000 sqft @	60.00 psf	(1,200,000)
Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	2,670,000 @	10%	(267,000)
Contingency	2,937,000 @	3%	(88,110)
Professional Fees	3,025,110 @	9%	(272,260)
Disposal Costs -			
Letting Agents Costs	340,250 ERV @	10.00%	(34,025)
Letting Legal Costs	340,250 ERV @	5.00%	(17,013)
Investment Sale Agents Costs	4,209,157 GDV @	1.00%	(42,092)
Investment Sale Legal Costs	4,209,157 GDV @	0.50%	(21,046)
Marketing and Promotion	4,209,157 GDV @	3.00%	(126,275)
Finance Costs -			
Finance Fees	4,148,649 @	1.00%	(41,486)
Interest allowance (build and land) (1)	12 months @	6.00%	(124,459)
Developers Profit	4,314,595 @	18.00%	(776,627)
TOTAL COSTS			(5,091,222)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (2)	(882,066)

SENSITIVITY ANALYSIS						
	Values					
	(882,066)	80%	90%	100%	110%	120%
Construction Costs	90%	(1,272,754)	(875,083)	(477,412)	(79,741)	317,930
	95%	(1,475,081)	(1,077,410)	(679,739)	(282,068)	115,603
	100%	(1,677,408)	(1,279,737)	(882,066)	(484,395)	(86,724)
	105%	(1,879,734)	(1,482,063)	(1,084,392)	(686,721)	(289,050)
	110%	(2,082,061)	(1,684,390)	(1,286,719)	(889,048)	(491,377)

NOTES	
(1) interest is based on 1/2 development costs over the period as an approximation for the S-curve	
(2) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the ap	
(2) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Commercial Sites v2 Draft

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ASSUMPTIONS			
Land Acquisition Value	175,000 per acre		
Developers Profit	18.0% on costs		
	NIA (sqft)	GIA (sqft)	Net to Gross %
Offices	13,500	15,000	90.0%
Industrial	19,000	20,000	95.0%
	0	0	#DIV/0!
total floor area	32,500	35,000	92.9%
Site density	4,000 sqm per hectare		

VALUES			
Offices	13,500 @	15.00 psf	202,500
Industrial	19,000 @	7.25 psf	137,750
	- @	0.00 psf	-
less			
management and maintenance	- @	0.0%	-
			-
Estimated Gross Rental Value per annum			340,250
Yield	@	7.5%	
capitalised rent			4,536,667
less			
Rent Free / Void allowance	3 months rent		(85,063)
Purchasers costs	@	5.76%	(242,447)
			4,209,157
GROSS DEVELOPMENT VALUE			4,209,157

DEVELOPMENT COSTS			
Site Acquisition -			
Site Area	1.30 ha	3.21 acres	
Site Purchase Price			(562,153)
SDLT	562,153 @	Rate	(17,607)
Acquisition Agent fees	562,153 @	1%	(5,622)
Acquisition Legal fees	562,153 @	0.5%	(2,811)
Initial Payments -			
Statutory Planning Fees			(22,638)
Construction Costs -			
Demolition and Site Clearance (allowance)	3.21 acres @	100,000 per acre	(321,230)
Build Costs	15,000 sqft @	98.00 psf	(1,470,000)
Build Costs	20,000 sqft @	60.00 psf	(1,200,000)
Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	2,670,000 @	10%	(267,000)
Contingency	2,937,000 @	3%	(88,110)
Professional Fees	3,346,340 @	9%	(301,171)
Disposal Costs -			
Letting Agents Costs	340,250 ERV @	10.00%	(34,025)
Letting Legal Costs	340,250 ERV @	5.00%	(17,013)
Investment Sale Agents Costs	4,209,157 GDV @	1.00%	(42,092)
Investment Sale Legal Costs	4,209,157 GDV @	0.50%	(21,046)
Marketing and Promotion	4,209,157 GDV @	3.00%	(126,275)
Finance Costs -			
Finance Fees	4,498,790 @	1.00%	(44,988)
Interest allowance (build and land) (1)	12 months @	6.00%	(134,964)
Developers Profit	4,678,742 @	18.00%	(842,173)
TOTAL COSTS			(5,520,915)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (2)	(1,311,758)

SENSITIVITY ANALYSIS						
	Values					
	(1,311,758)	80%	90%	100%	110%	120%
Construction Costs	90%	(1,702,447)	(1,304,776)	(907,105)	(509,434)	(111,763)
	95%	(1,904,774)	(1,507,103)	(1,109,432)	(711,761)	(314,090)
	100%	(2,107,100)	(1,709,429)	(1,311,758)	(914,087)	(516,416)
	105%	(2,309,427)	(1,911,756)	(1,514,085)	(1,116,414)	(718,743)
	110%	(2,511,754)	(2,114,083)	(1,716,412)	(1,318,740)	(921,069)

NOTES	
(1) interest is based on 1/2 development costs over the period as an approximation for the S-curve	
(2) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the ap	
(2) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Commercial Sites v2 Draft C5.

ASSUMPTIONS			
Land Acquisition Value	175,000	per acre	
Developers Profit	18.0%	on costs	
	NIA (sqft)	GIA (sqft)	Net to Gross %
Offices	0	0	#DIV/0!
Industrial	190,000	200,000	95.0%
	0	0	#DIV/0!
total floor area	190,000	200,000	95.0%
Site density	5,000	sqm per hectare	

VALUES			
Offices	- @	0.00 psf	-
Industrial	190,000 @	6.00 psf	1,140,000
	- @	0.00 psf	-
less			-
management and maintenance	- @	0.0%	-
Estimated Gross Rental Value per annum			1,140,000
Yield	@	6.5%	
capitalised rent			17,538,462
less			-
Rent Free / Void allowance	3 months rent		(285,000)
Purchasers costs	@	5.76%	(939,674)
			16,313,787
GROSS DEVELOPMENT VALUE			16,313,787

DEVELOPMENT COSTS			
Site Acquisition -			
Site Area	4.20 ha	10.38 acres	
Site Purchase Price			(1,816,185)
SDLT	1,816,185 @	Rate	(80,309)
Acquisition Agent fees	1,816,185 @	1%	(18,162)
Acquisition Legal fees	1,816,185 @	0.5%	(9,081)
Initial Payments -			
Statutory Planning Fees			(54,599)
Construction Costs -			
Demolition and Site Clearance (allowance)	10.38 acres @	0 per acre	-
Build Costs	- sqft @	0.00 psf	-
Build Costs	200,000 sqft @	50.00 psf	(10,000,000)
Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	10,000,000 @	10%	(1,000,000)
Contingency	11,000,000 @	3%	(330,000)
Professional Fees	11,330,000 @	9%	(1,019,700)
Disposal Costs -			
Letting Agents Costs	1,140,000 ERV @	10.00%	(114,000)
Letting Legal Costs	1,140,000 ERV @	5.00%	(57,000)
Investment Sale Agents Costs	16,313,787 GDV @	1.00%	(163,138)
Investment Sale Legal Costs	16,313,787 GDV @	0.50%	(81,569)
Marketing and Promotion	16,313,787 GDV @	3.00%	(489,414)
Finance Costs -			
Finance Fees	15,233,156 @	1.00%	(152,332)
Interest allowance (build and land) (1)	12 months @	6.00%	(456,995)
Developers Profit	15,842,482 @	18.00%	(2,851,647)
TOTAL COSTS			(18,694,129)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (2)	(2,380,342)

SENSITIVITY ANALYSIS						
	Values					
	(2,380,342)	80%	90%	100%	110%	120%
Construction Costs	90%	(3,947,362)	(2,406,074)	(864,787)	676,501	2,217,788
	95%	(4,705,139)	(3,163,852)	(1,622,564)	(81,277)	1,460,011
	100%	(5,462,917)	(3,921,629)	(2,380,342)	(839,054)	702,233
	105%	(6,220,694)	(4,679,407)	(3,138,120)	(1,596,832)	(55,545)
	110%	(6,978,472)	(5,437,185)	(3,895,897)	(2,354,610)	(813,322)

NOTES	
(1) interest is based on 1/2 development costs over the period as an approximation for the S-curve	
(2) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the ap	
(2) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Commercial Sites v2 Draft

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ASSUMPTIONS			
Land Acquisition Value	175,000	per acre	
Developers Profit	18.0%	on costs	
	NIA (sqft)	GIA (sqft)	Net to Gross %
Offices	0	0	#DIV/0!
Industrial	190,000	200,000	95.0%
	0	0	#DIV/0!
total floor area	190,000	200,000	95.0%
Site density	5,000	sqm per hectare	

VALUES			
Offices	- @	0.00 psf	-
Industrial	190,000 @	6.00 psf	1,140,000
	- @	0.00 psf	-
less			
management and maintenance	- @	0.0%	-
			-
Estimated Gross Rental Value per annum			1,140,000
Yield	@	6.5%	
capitalised rent			17,538,462
less			
Rent Free / Void allowance	3 months rent		(285,000)
Purchasers costs	@	5.76%	(939,674)
			16,313,787
GROSS DEVELOPMENT VALUE			16,313,787

DEVELOPMENT COSTS			
Site Acquisition -			
Site Area	4.20 ha	10.38 acres	
Site Purchase Price			(1,816,185)
SDLT	1,816,185 @	Rate	(80,309)
Acquisition Agent fees	1,816,185 @	1%	(18,162)
Acquisition Legal fees	1,816,185 @	0.5%	(9,081)
Initial Payments -			
Statutory Planning Fees			(54,599)
Construction Costs -			
Demolition and Site Clearance (allowance)	10.38 acres @	100,000 per acre	(1,037,820)
Build Costs	- sqft @	0.00 psf	-
Build Costs	200,000 sqft @	50.00 psf	(10,000,000)
Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	10,000,000 @	10%	(1,000,000)
Contingency	11,000,000 @	3%	(330,000)
Professional Fees	12,367,820 @	9%	(1,113,104)
Disposal Costs -			
Letting Agents Costs	1,140,000 ERV @	10.00%	(114,000)
Letting Legal Costs	1,140,000 ERV @	5.00%	(57,000)
Investment Sale Agents Costs	16,313,787 GDV @	1.00%	(163,138)
Investment Sale Legal Costs	16,313,787 GDV @	0.50%	(81,569)
Marketing and Promotion	16,313,787 GDV @	3.00%	(489,414)
Finance Costs -			
Finance Fees	16,364,380 @	1.00%	(163,644)
Interest allowance (build and land) (1)	12 months @	6.00%	(490,931)
Developers Profit	17,018,955 @	18.00%	(3,063,412)
TOTAL COSTS			(20,082,367)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (2)	(3,768,580)

SENSITIVITY ANALYSIS							
		Values					
		(3,768,580)	80%	90%	100%	110%	120%
Construction Costs	90%		(5,335,600)	(3,794,312)	(2,253,025)	(711,737)	829,550
	95%		(6,093,377)	(4,552,090)	(3,010,802)	(1,469,515)	71,773
	100%		(6,851,155)	(5,309,867)	(3,768,580)	(2,227,292)	(686,005)
	105%		(7,608,932)	(6,067,645)	(4,526,357)	(2,985,070)	(1,443,782)
	110%		(8,366,710)	(6,825,422)	(5,284,135)	(3,742,847)	(2,201,560)

NOTES	
(1) interest is based on 1/2 development costs over the period as an approximation for the S-curve	
(2) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the ap	
(2) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Commercial Sites v2 Draft C7.

ASSUMPTIONS			
Land Acquisition Value	175,000	per acre	
Developers Profit	18.0%	on costs	
	NIA (sqft)	GIA (sqft)	Net to Gross %
Offices	12,300	13,000	94.6%
Industrial	19,000	20,000	95.0%
	0	0	#DIV/0!
total floor area	31,300	33,000	94.8%
Site density	4,000	sqm per hectare	

VALUES			
Offices	12,300 @	15.00 psf	184,500
Industrial	19,000 @	6.75 psf	128,250
	- @	0.00 psf	-
less			
management and maintenance	- @	0.0%	-
			-
Estimated Gross Rental Value per annum			312,750
Yield	@	9.0%	
capitalised rent			3,475,000
less			
Rent Free / Void allowance	3 months rent		(78,188)
Purchasers costs	@	5.76%	(185,000)
			3,211,812
GROSS DEVELOPMENT VALUE			3,211,812

DEVELOPMENT COSTS			
Site Acquisition -			
Site Area	1.25 ha	3.09 acres	
Site Purchase Price			(540,531)
SDLT	540,531 @	Rate	(16,526)
Acquisition Agent fees	540,531 @	1%	(5,405)
Acquisition Legal fees	540,531 @	0.5%	(2,703)
Initial Payments -			
Statutory Planning Fees			(21,252)
Construction Costs -			
Demolition and Site Clearance (allowance)	3.09 acres @	0 per acre	-
Build Costs	13,000 sqft @	103.00 psf	(1,339,000)
Build Costs	20,000 sqft @	65.00 psf	(1,300,000)
Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	2,639,000 @	10%	(263,900)
Contingency	2,902,900 @	3%	(87,087)
Professional Fees	2,989,987 @	9%	(269,099)
Disposal Costs -			
Letting Agents Costs	312,750 ERV @	10.00%	(31,275)
Letting Legal Costs	312,750 ERV @	5.00%	(15,638)
Investment Sale Agents Costs	3,211,812 GDV @	1.00%	(32,118)
Investment Sale Legal Costs	3,211,812 GDV @	0.50%	(16,059)
Marketing and Promotion	3,211,812 GDV @	3.00%	(96,354)
Finance Costs -			
Finance Fees	4,036,947 @	1.00%	(40,369)
Interest allowance (build and land) (1)	12 months @	6.00%	(121,108)
Developers Profit	4,198,425 @	18.00%	(755,716)
TOTAL COSTS			(4,954,141)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (2)	(1,742,329)

SENSITIVITY ANALYSIS						
	Values					
	(1,742,329)	80%	90%	100%	110%	120%
Construction Costs	90%	(1,949,263)	(1,645,819)	(1,342,374)	(1,038,930)	(735,486)
	95%	(2,149,240)	(1,845,796)	(1,542,352)	(1,238,908)	(935,463)
	100%	(2,349,218)	(2,045,774)	(1,742,329)	(1,438,885)	(1,135,441)
	105%	(2,549,195)	(2,245,751)	(1,942,307)	(1,638,863)	(1,335,418)
	110%	(2,749,173)	(2,445,729)	(2,142,284)	(1,838,840)	(1,535,396)

NOTES	
(1)	interest is based on 1/2 development costs over the period as an approximation for the S-curve
(2)	a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the ap
(2)	a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL

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C8.

ASSUMPTIONS			
Land Acquisition Value	650,000	per acre	
Developers Profit	20.0%	on costs	
	NIA (sqft)	GIA (sqft)	Net to Gross %
Retail Store	18,050	19,000	95.0%
	0	0	#DIV/0!
	0	0	#DIV/0!
total floor area	18,050	19,000	95.0%
Site density	7,500	sqm per hectare	

VALUES			
Retail Store	18,050 @	15.50 psf	279,775
2 Bed Apartments	- @	0.00 psf	-
1 Bed Apartments	- @	0.00 psf	-
less			
management and maintenance	- @	0.0%	-
			-
Estimated Gross Rental Value per annum			279,775
Yield	@	5.25%	
capitalised rent			5,329,048
less			
Rent Free / Void allowance	6 months rent		(139,888)
Purchasers costs	@	5.76%	(282,617)
			4,906,543
GROSS DEVELOPMENT VALUE			4,906,543

DEVELOPMENT COSTS			
Site Acquisition -			
Site Area	0.61 ha	1.51 acres	
Site Purchase Price			(979,752)
SDLT	979,752 @	Rate	(38,487)
Acquisition Agent fees	979,752 @	1%	(9,798)
Acquisition Legal fees	979,752 @	0.5%	(4,899)
Initial Payments -			
Statutory Planning Fees			(12,012)
Construction Costs -			
Demolition and Site Clearance (allowance)	1.50 acres @	100,000 per acre	(150,000)
Build Costs	19,000 sqft @	50.00 psf	(950,000)
Build Costs	- sqft @	0.00 psf	-
Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	950,000 @	10%	(95,000)
Contingency	1,045,000 @	5%	(52,250)
Professional Fees	1,247,250 @	8%	(99,780)
Disposal Costs -			
Letting Agents Costs	279,775 ERV @	10.00%	(27,978)
Letting Legal Costs	279,775 ERV @	5.00%	(13,989)
Investment Sale Agents Costs	4,906,543 GDV @	1.00%	(49,065)
Investment Sale Legal Costs	4,906,543 GDV @	0.50%	(24,533)
Marketing and Promotion	4,906,543 GDV @	3.00%	(147,196)
Finance Costs -			
Finance Fees	2,654,737 @	1.00%	(26,547)
Interest allowance (build and land) (1)	6 months @	6.00%	(39,821)
Developers Profit	2,721,106 @	20.00%	(544,221)
TOTAL COSTS			(3,265,327)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (2)	1,641,216

SENSITIVITY ANALYSIS						
	Values					
	1,641,216	80%	90%	100%	110%	120%
Construction Costs	90%	859,982	1,323,478	1,786,975	2,250,471	2,713,968
	95%	787,102	1,250,599	1,714,095	2,177,592	2,641,089
	100%	714,223	1,177,720	1,641,216	2,104,713	2,568,209
	105%	641,344	1,104,840	1,568,337	2,031,833	2,495,330
	110%	568,464	1,031,961	1,495,457	1,958,954	2,422,451

NOTES	
(1) interest is based on 1/2 development costs over the period as an approximation for the S-curve	
(2) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the ap	
(2) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

180122 Lancaster Plan Wide Viability Model - Commercial Sites v2 Draft

C9.

ASSUMPTIONS			
Land Acquisition Value	350,000	per acre	
Developers Profit	20.0%	on costs	
	NIA (sqft)	GIA (sqft)	Net to Gross %
Retail Store	18,050	19,000	95.0%
	0	0	#DIV/0!
	0	0	#DIV/0!
total floor area	18,050	19,000	95.0%
Site density	7,500	sqm per hectare	

VALUES			
Retail Store	44,000 @	12.50 psf	550,000
2 Bed Apartments	- @	0.00 psf	-
1 Bed Apartments	- @	0.00 psf	-
less			
management and maintenance	- @	0.0%	-
			-
Estimated Gross Rental Value per annum			550,000
Yield	@	5.75%	
capitalised rent			9,565,217
less			
Rent Free / Void allowance	6 months rent		(275,000)
Purchasers costs	@	5.76%	(505,973)
			8,784,245
GROSS DEVELOPMENT VALUE			8,784,245

DEVELOPMENT COSTS			
Site Acquisition -			
Site Area	0.82 ha	2.03 acres	
Site Purchase Price			(709,177)
SDLT	709,177 @	Rate	(24,958)
Acquisition Agent fees	709,177 @	1%	(7,092)
Acquisition Legal fees	709,177 @	0.5%	(3,546)
Initial Payments -			
Statutory Planning Fees			(24,101)
Construction Costs -			
Demolition and Site Clearance (allowance)	2.03 acres @	100,000 per acre	(203,000)
Build Costs	44,000 sqft @	60.00 psf	(2,640,000)
Build Costs	- sqft @	0.00 psf	-
Build Costs	- sqft @	0.00 psf	-
External works inc. utilities reinforcement (allowance)	2,640,000 @	10%	(264,000)
Contingency	2,904,000 @	5%	(145,200)
Professional Fees	3,252,200 @	8%	(260,176)
Disposal Costs -			
Letting Agents Costs	550,000 ERV @	10.00%	(55,000)
Letting Legal Costs	550,000 ERV @	5.00%	(27,500)
Investment Sale Agents Costs	8,784,245 GDV @	1.00%	(87,842)
Investment Sale Legal Costs	8,784,245 GDV @	0.50%	(43,921)
Marketing and Promotion	8,784,245 GDV @	3.00%	(263,527)
Finance Costs -			
Finance Fees	4,759,041 @	1.00%	(47,590)
Interest allowance (build and land) (1)	6 months @	6.00%	(71,386)
Developers Profit	4,878,017 @	20.00%	(975,603)
TOTAL COSTS			(5,853,620)

S106 / CIL	
Surplus / (Deficit) for S106 / CIL (2)	2,930,625

SENSITIVITY ANALYSIS						
	Values					
	2,930,625	80%	90%	100%	110%	120%
Construction Costs	90%	1,676,073	2,505,877	3,335,681	4,165,484	4,995,288
	95%	1,473,545	2,303,349	3,133,153	3,962,956	4,792,760
	100%	1,271,017	2,100,821	2,930,625	3,760,429	4,590,232
	105%	1,068,490	1,898,293	2,728,097	3,557,901	4,387,704
	110%	865,962	1,695,765	2,525,569	3,355,373	4,185,177

NOTES	
(1) interest is based on 1/2 development costs over the period as an approximation for the S-curve	
(2) a surplus means that there is the potential to levy S106 obligations or a CIL, subject (in respect of CIL) to the overall infrastructure 'gap' and the ap	
(2) a deficit means that development is not viable and there is no development surplus for S106 obligations or to levy CIL	

4. Viability Assessment Professional Guidance (Addendum)

Benchmark Land Value in the context of the updated National Planning Policy Guidance on Viability

- 1.1 The Government published the *National Planning Practice Guidance* ('NPPG')¹ in March 2014 as a live web-based resource which is subject to regular updating. The NPPG replaced over 7,000 pages of planning guidance that was previously published in separate documents. The NPPG adds further context to the NPPF and it is intended that the two should be read together. The NPPF and NPPG cumulatively set out what the Government expects of LPAs, the overall aim being to ensure that the planning system allows land to deliver new homes and employment whilst protecting valuable natural and historic environments.
- 1.2 The NPPG currently contains guidance on 50 separate topic areas. Guidance on 'viability'² was updated in July 2018. As previously the guidance provides further details on the expectations of the NPPF in relation to viability in the context of both plan-making and decision taking.
- 1.3 At para 2.22 of our Local Plan Viability Assessment Report (Stage One) we set out, within *Fig 3*, a summary of paragraphs within the 'viability' topic area of the previous version of NPPG of relevance to '*viability in plan-making*'. The paragraphs of direct relevance to '*land value*' are set out in the table below for ease of reference:

Fig 1: Summary of previous version of NPPG relating to 'viability in plan-making' and specifically 'land value'

Paragraph heading	Guidance contained within
Para 014: The key factors to be taken into account in assessing viability in plan-making: <u>Land value</u> (Reference ID: 10-014-20140306)	Assessment of land or site value central to consideration of viability. In all cases, <u>estimated land or site value should reflect common principles</u> : <ul style="list-style-type: none"> • reflect emerging policy requirements and planning obligations; • provide competitive return to willing developers and land owners (including equity resulting from those building their own homes); and • be informed by comparable, market-based evidence wherever possible. Disregard transacted bids significantly above market norm

¹ '*Planning Practice Guidance*' – Ministry of Housing, Communities & Local Government, March 2014 (re-published November 2016, most recent update October 2018):
<https://www.gov.uk/government/collections/planning-practice-guidance>

² '*Planning Practice Guidance - Viability*' – Ministry of Housing, Communities & Local Government, March 2014 (most recent update July 2018):
<https://www.gov.uk/guidance/viability>

Paragraph heading	Guidance contained within
Para 015: The key factors to be taken into account in assessing viability in plan-making: Competitive return to developers and land owners (Reference ID: 10-015-20140306)	NPPF states viability should consider “competitive returns to a willing landowner and willing developer to enable development to be deliverable.”...A competitive return for land owner is price at which reasonable land owner would be willing to sell their land for development. Price will need to provide incentive for land owner to sell in comparison to value of other options available, including current use and/or alternative uses (which comply with planning policy).

- 1.4 A summary of the paragraphs within the recently updated version of the NPPG and revised ‘viability’ topic area ² of direct relevance to the definition of ‘land value’ in the context of viability form plan making are set out in the table below (with our own emphasis):

Fig 2: Summary of updated NPPG relating to definition of ‘land value’

Paragraph heading	Guidance contained within
Para 013: How should <u>land value</u> be defined for the purpose of viability assessment? (Reference ID: 10-013-20180724)	<ul style="list-style-type: none"> • To define land value for any viability assessment, benchmark land value (BLV) should be established on basis of the existing use value (EUV) of the land, plus a premium for the landowner (EUV+). • Premium for landowner should reflect minimum return at which considered a reasonable landowner willing to sell land. • Premium should provide reasonable incentive, in comparison with other options, for landowner to sell land for development while allowing sufficient contribution to comply with policy requirements. • To establish BLV all stakeholders (plan makers, landowners, developers, infrastructure and affordable housing providers) should engage and provide evidence to inform process.
Para 014: What factors should be considered to establish benchmark land value? (Reference ID: 10-014-20180724)	<p>BLV should:</p> <ul style="list-style-type: none"> • be based upon EUV • allow for premium to landowners (including equity resulting from those building their own homes) • reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and be <u>informed by market evidence</u> including current uses, costs and values wherever possible. <u>Where recent market evidence is used to inform assessment of benchmark land value this evidence should be based on developments which are compliant with policies, including for affordable housing.</u> Where this evidence is not available, plan makers and applicants should identify and evidence any adjustments to reflect cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time. <p>In plan making, landowner premium should be tested and balanced against emerging policies. In decision making, cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.</p>

Paragraph heading	Guidance contained within
<p>Para 014: What factors should be considered to establish benchmark land value? (Reference ID: 10-014-20180724) (Continued)</p>	<p>Where viability assessment used to inform decision making under no circumstances will price paid for land be relevant justification for failing to accord with relevant policies in plan. Local authorities can request data on price paid for land (or the price expected to be paid through an option agreement).</p>
<p>Para 015: What is meant by existing use value in viability assessment? (Reference ID: 10-015-20180724)</p>	<ul style="list-style-type: none"> • First component of calculating benchmark land value. • Value of land in existing use together with right to implement any development for which policy compliant extant planning consents, including realistic deemed consents, but without regard to alternative uses. • Not the price paid and should disregard hope value. EUVs will vary depending on type of site and development types. • EUV can be established in collaboration between plan makers, developers and landowners by assessing value of specific site or type of site using published sources of information such as agricultural or industrial land values, or capitalised rental levels at an appropriate yield.
<p>Para 016: How should the premium to the landowner be defined for viability assessment? (Reference ID: 10-016-20180724)</p>	<ul style="list-style-type: none"> • The premium (or the 'plus' in EUV+) is second component of benchmark land value. • It is the amount above EUV that goes to landowner. The premium should provide a reasonable incentive for landowner to bring forward land for development while allowing sufficient contribution to comply with policy requirements. • Plan makers should establish a reasonable premium to landowner for purpose of assessing viability of plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. • <u>For any viability assessment data sources to inform establishment the landowner premium should include market evidence and can include benchmark land values from other viability assessments.</u> • Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners.
<p>Para 017: Can alternative uses be used in establishing benchmark land value? (Reference ID: 10-017-20180724)</p>	<p>Alternative use value (AUV) for purpose of viability assessment:</p> <ul style="list-style-type: none"> • refers to value of land for uses other than current permitted use, and other than other potential development that requires planning consent. • may be informative in establishing BLV. • should only take into account those uses which have an existing implementable permission for that use. • should be supported by evidence of the costs and values of the alternative use to justify the land value. • includes premium to the landowner. If evidence AUV is being considered the premium to landowner must not be double counted. • can be used if evidence that alternative use would fully comply with development plan policies, if can be demonstrated alternative use could be implemented on site in question, if can be demonstrated market demand for use, and if an explanation as to why alternative use not been pursued.

- 1.5 At para 4.31 to 4.34 of our Local Plan Viability Assessment Report (Stage One), reproduced below for ease of reference, we considered the definition of ‘Site Value’ within the RICS Viability Guidance ³ in the context of the NPPF (the version as current at the time of publication) ⁴ of ‘competitive returns’ for ‘willing sellers’ of land:

- 4.31 The RICS Viability Guidance provides the following definition of Site Value:

Site value should equate to the market value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan’ (Page 12, Para 2.3.1).

- 4.32 Any assessment of Site Value will also have regard to prospective planning obligations while also having regard to the prevailing property market.

- 4.33 In the context of plan-wide viability testing the RICS Viability Guidance puts forward a second assumption that needs to be applied to the definition of Site Value:

‘Site value (as defined above) may need to be further adjusted to reflect the emerging policy...The level of the adjustment assumes that site delivery would not be prejudiced. Where an adjustment is made, the practitioner should set out their professional opinion underlying the assumptions adopted. These include, as a minimum, comments on the state of the market and delivery targets as at the date of assessment’ (Page 12, Para 2.3.3)

- 4.34 The RICS Viability Guidance adopts the RICS definition of market value as the appropriate basis to assess site value (see 4.31 above). This is consistent with NPPF, which acknowledges that ‘willing sellers’ of land should receive ‘competitive returns’. Competitive returns can only be achieved in a market context (i.e. market value) not one which is hypothetically based with an arbitrary mark-up applied, as in the case of existing use value (or current use value) plus a premium.

- 1.6 At para 4.35 to 4.39 of our Local Plan Viability Assessment Report (Stage One), again reproduced below for ease of reference, we provided commentary on the assessment of site value in the context of the ‘EUV plus a premium’ approach:

³ *Financial Viability in Planning* - RICS Guidance Note 1st Edition (GN 94/2012) (RICS, Aug 2012):
http://www.rics.org/Documents/Financial_viability_in_planning_1st_edition_PGguidance_2012.pdf

⁴ *‘National Planning Policy Framework’* - Department for Communities and Local Government (‘DCLG’) (ISBN 9781409834137), March 2012:
<https://www.gov.uk/guidance/national-planning-policy-framework>

- 4.35 The RICS Viability Guidance provides specific commentary on the issues that can arise where viability testing is undertaken with assumed site value based on 'EUV plus a premium', rather than on the basis of market value adjusted to take account of existing and emerging development plan policies:
- One approach has been to adopt current use value (CUV) plus a margin or a variant of this, i.e. existing use value (EUV) plus a premium. The problem with this singular approach is that it does not reflect the workings of the market as land may not be released at CUV or CUV plus a margin (EUV plus). It is possible, however, that current use represents market value, providing that the CUV is in excess of the residual value produced by a proposed development (Page 17, Para 3.4.1).*
- Once a Site Value...has been established, and therefore has regard to the market, it is of course possible to show ('back out') how this can be disaggregated in terms of EUV plus the premium element. Practitioners and users will see the significant variance that can occur between different schemes in respect of the 'premium' element. This is why the practice of applying a singular approach, i.e. in the absence of market testing, of so called standard mark ups (the 'premium') to EUV is arbitrary, does not reflect the market, and can result in the over or under valuing of the site in question (Page 17, Para E.1.11).*
- 4.36 Whilst 'EUV plus a premium' can be useful to help 'triangulate' the market value for a particular site, the emphasis does have to be on property market evidence if the scheme is to be grounded in reality and therefore deliverable. It is for these reasons that we commend the RICS Guidance.
- 4.37 The government published a revised draft NPPG in March 2018. The draft NPPG document states (at page 8) that *'benchmark land value should be calculated on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum price at which it is considered a rational landowner would be willing to sell their land. This approach is often called 'Existing Use Value Plus' (EUV+).'*
- 4.38 The draft NPPG document goes on to advise (at page 9) that *'when undertaking any viability assessment, an appropriate minimum premium to the landowner can be established by looking at data from comparable sites of the same site type that have recently been granted planning consent in accordance with relevant policies. The EUV of those comparable sites should then be established...This evidence of the price paid on top of existing use value should then be used to inform a judgement on an appropriate minimum premium to the landowner.*

- 4.39 Consequently, we take the view that the draft NPPG is effectively advocating the approach commended by LSH and the RICS Guidance (see 4.36 above) that the emphasis does have to be on property market evidence if the scheme is to be grounded in reality and therefore shown to be deliverable.
- 1.7 The updated version of the NPPG and revised ‘*viability*’ topic area ² clearly places a greater emphasis on the ‘EUV plus a premium’ approach than previous versions of such planning guidance. It seems the Government’s motivation for adopting this revised emphasis is to move away from, what had become, a perception of a circular practice of setting landowner’s expectations (i.e. ‘benchmark land values’) in the plan-wide viability testing process in the context of historic transactions. Such transactions may fail to fully reflect planning policy compliance, particularly in the context of newly emerging policy. This leads to the danger of artificially inflated land value assumptions as part of the plan-wide viability testing process. Where land values are artificially high the viability assessment process will result in planning obligations, including policy on-site affordable housing, being set at overly reduced levels.
- 1.8 Notwithstanding the above comment (1.7) the updated version of the revised ‘*viability*’ topic area ² of the NPPG is caveated throughout with need for the ‘EUV plus a premium’ approach to be informed by market evidence (see our underlined emphasis in *Fig 2* above), subject to such evidence being ‘*based on developments which are compliant with policies, including for affordable housing.*’ (Para 014). The guidance is also explicit that the premium to incentivise landowners must be established through an iterative and collaborative engagement between plan makers, landowners, developers, infrastructure and affordable housing providers. This reiterates existing advice contained within the Hardman Guidance and followed in our Local Plan Viability Assessment (step 2 of our study method – detailed at para 4.13).
- 1.9 Consequently we take the view that the above commentary (4.36 to 4.39) of our Local Plan Viability Assessment Report (Stage One) remains relevant in the context of the revised ‘*viability*’ topic area ² of the NPPG.
- 1.10 In conclusion it remains our view that ‘EUV plus a premium’ is useful to help ‘triangulate’ the market value for a particular site, but the emphasis does still have to be on property market evidence in the context of adopted, or potential, planning policy. Clearly if no such directly comparable market evidence exists (for example, where emerging planning policy differs significantly from existing policy) then there is the need to make appropriate adjustments to the most relevant available market evidence to arrive at a realistic value assumption.

4. Viability Assessment Professional Guidance (Addendum)

Benchmark Land Value in the context of the updated National Planning Policy Guidance on Viability

- 1.1 The Government published the *National Planning Practice Guidance* ('NPPG')¹ in March 2014 as a live web-based resource which is subject to regular updating. The NPPG replaced over 7,000 pages of planning guidance that was previously published in separate documents. The NPPG adds further context to the NPPF and it is intended that the two should be read together. The NPPF and NPPG cumulatively set out what the Government expects of LPAs, the overall aim being to ensure that the planning system allows land to deliver new homes and employment whilst protecting valuable natural and historic environments.
- 1.2 The NPPG currently contains guidance on 50 separate topic areas. Guidance on 'viability'² was updated in July 2018. As previously the guidance provides further details on the expectations of the NPPF in relation to viability in the context of both plan-making and decision taking.
- 1.3 At para 2.22 of our Local Plan Viability Assessment Report (Stage One) we set out, within *Fig 3*, a summary of paragraphs within the 'viability' topic area of the previous version of NPPG of relevance to '*viability in plan-making*'. The paragraphs of direct relevance to '*land value*' are set out in the table below for ease of reference:

Fig 1: Summary of previous version of NPPG relating to 'viability in plan-making' and specifically 'land value'

Paragraph heading	Guidance contained within
Para 014: The key factors to be taken into account in assessing viability in plan-making: <u>Land value</u> (Reference ID: 10-014-20140306)	Assessment of land or site value central to consideration of viability. In all cases, <u>estimated land or site value should reflect common principles</u> : <ul style="list-style-type: none"> • reflect emerging policy requirements and planning obligations; • provide competitive return to willing developers and land owners (including equity resulting from those building their own homes); and • be informed by comparable, market-based evidence wherever possible. Disregard transacted bids significantly above market norm

¹ '*Planning Practice Guidance*' – Ministry of Housing, Communities & Local Government, March 2014 (re-published November 2016, most recent update October 2018):
<https://www.gov.uk/government/collections/planning-practice-guidance>

² '*Planning Practice Guidance - Viability*' – Ministry of Housing, Communities & Local Government, March 2014 (most recent update July 2018):
<https://www.gov.uk/guidance/viability>

Paragraph heading	Guidance contained within
Para 015: The key factors to be taken into account in assessing viability in plan-making: Competitive return to developers and land owners (Reference ID: 10-015-20140306)	NPPF states viability should consider “competitive returns to a willing landowner and willing developer to enable development to be deliverable.”...A competitive return for land owner is price at which reasonable land owner would be willing to sell their land for development. Price will need to provide incentive for land owner to sell in comparison to value of other options available, including current use and/or alternative uses (which comply with planning policy).

- 1.4 A summary of the paragraphs within the recently updated version of the NPPG and revised ‘viability’ topic area ² of direct relevance to the definition of ‘land value’ in the context of viability form plan making are set out in the table below (with our own emphasis):

Fig 2: Summary of updated NPPG relating to definition of ‘land value’

Paragraph heading	Guidance contained within
Para 013: How should <u>land value</u> be defined for the purpose of viability assessment? (Reference ID: 10-013-20180724)	<ul style="list-style-type: none"> • To define land value for any viability assessment, benchmark land value (BLV) should be established on basis of the existing use value (EUV) of the land, plus a premium for the landowner (EUV+). • Premium for landowner should reflect minimum return at which considered a reasonable landowner willing to sell land. • Premium should provide reasonable incentive, in comparison with other options, for landowner to sell land for development while allowing sufficient contribution to comply with policy requirements. • To establish BLV all stakeholders (plan makers, landowners, developers, infrastructure and affordable housing providers) should engage and provide evidence to inform process.
Para 014: What factors should be considered to establish benchmark land value? (Reference ID: 10-014-20180724)	<p>BLV should:</p> <ul style="list-style-type: none"> • be based upon EUV • allow for premium to landowners (including equity resulting from those building their own homes) • reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and be <u>informed by market evidence</u> including current uses, costs and values wherever possible. <u>Where recent market evidence is used to inform assessment of benchmark land value this evidence should be based on developments which are compliant with policies, including for affordable housing.</u> Where this evidence is not available, plan makers and applicants should identify and evidence any adjustments to reflect cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time. <p>In plan making, landowner premium should be tested and balanced against emerging policies. In decision making, cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.</p>

Paragraph heading	Guidance contained within
<p>Para 014: What factors should be considered to establish benchmark land value? (Reference ID: 10-014-20180724) (Continued)</p>	<p>Where viability assessment used to inform decision making under no circumstances will price paid for land be relevant justification for failing to accord with relevant policies in plan. Local authorities can request data on price paid for land (or the price expected to be paid through an option agreement).</p>
<p>Para 015: What is meant by existing use value in viability assessment? (Reference ID: 10-015-20180724)</p>	<ul style="list-style-type: none"> • First component of calculating benchmark land value. • Value of land in existing use together with right to implement any development for which policy compliant extant planning consents, including realistic deemed consents, but without regard to alternative uses. • Not the price paid and should disregard hope value. EUVs will vary depending on type of site and development types. • EUV can be established in collaboration between plan makers, developers and landowners by assessing value of specific site or type of site using published sources of information such as agricultural or industrial land values, or capitalised rental levels at an appropriate yield.
<p>Para 016: How should the premium to the landowner be defined for viability assessment? (Reference ID: 10-016-20180724)</p>	<ul style="list-style-type: none"> • The premium (or the 'plus' in EUV+) is second component of benchmark land value. • It is the amount above EUV that goes to landowner. The premium should provide a reasonable incentive for landowner to bring forward land for development while allowing sufficient contribution to comply with policy requirements. • Plan makers should establish a reasonable premium to landowner for purpose of assessing viability of plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. • <u>For any viability assessment data sources to inform establishment the landowner premium should include market evidence and can include benchmark land values from other viability assessments.</u> • Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners.
<p>Para 017: Can alternative uses be used in establishing benchmark land value? (Reference ID: 10-017-20180724)</p>	<p>Alternative use value (AUV) for purpose of viability assessment:</p> <ul style="list-style-type: none"> • refers to value of land for uses other than current permitted use, and other than other potential development that requires planning consent. • may be informative in establishing BLV. • should only take into account those uses which have an existing implementable permission for that use. • should be supported by evidence of the costs and values of the alternative use to justify the land value. • includes premium to the landowner. If evidence AUV is being considered the premium to landowner must not be double counted. • can be used if evidence that alternative use would fully comply with development plan policies, if can be demonstrated alternative use could be implemented on site in question, if can be demonstrated market demand for use, and if an explanation as to why alternative use not been pursued.

- 1.5 At para 4.31 to 4.34 of our Local Plan Viability Assessment Report (Stage One), reproduced below for ease of reference, we considered the definition of ‘Site Value’ within the RICS Viability Guidance ³ in the context of the NPPF (the version as current at the time of publication) ⁴ of ‘competitive returns’ for ‘willing sellers’ of land:

- 4.31 The RICS Viability Guidance provides the following definition of Site Value:

Site value should equate to the market value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan’ (Page 12, Para 2.3.1).

- 4.32 Any assessment of Site Value will also have regard to prospective planning obligations while also having regard to the prevailing property market.

- 4.33 In the context of plan-wide viability testing the RICS Viability Guidance puts forward a second assumption that needs to be applied to the definition of Site Value:

‘Site value (as defined above) may need to be further adjusted to reflect the emerging policy...The level of the adjustment assumes that site delivery would not be prejudiced. Where an adjustment is made, the practitioner should set out their professional opinion underlying the assumptions adopted. These include, as a minimum, comments on the state of the market and delivery targets as at the date of assessment’ (Page 12, Para 2.3.3)

- 4.34 The RICS Viability Guidance adopts the RICS definition of market value as the appropriate basis to assess site value (see 4.31 above). This is consistent with NPPF, which acknowledges that ‘willing sellers’ of land should receive ‘competitive returns’. Competitive returns can only be achieved in a market context (i.e. market value) not one which is hypothetically based with an arbitrary mark-up applied, as in the case of existing use value (or current use value) plus a premium.

- 1.6 At para 4.35 to 4.39 of our Local Plan Viability Assessment Report (Stage One), again reproduced below for ease of reference, we provided commentary on the assessment of site value in the context of the ‘EUV plus a premium’ approach:

³ *Financial Viability in Planning* - RICS Guidance Note 1st Edition (GN 94/2012) (RICS, Aug 2012):
http://www.rics.org/Documents/Financial_viability_in_planning_1st_edition_PGguidance_2012.pdf

⁴ *‘National Planning Policy Framework’* - Department for Communities and Local Government (‘DCLG’) (ISBN 9781409834137), March 2012:
<https://www.gov.uk/guidance/national-planning-policy-framework>

- 4.35 The RICS Viability Guidance provides specific commentary on the issues that can arise where viability testing is undertaken with assumed site value based on 'EUV plus a premium', rather than on the basis of market value adjusted to take account of existing and emerging development plan policies:
- One approach has been to adopt current use value (CUV) plus a margin or a variant of this, i.e. existing use value (EUV) plus a premium. The problem with this singular approach is that it does not reflect the workings of the market as land may not be released at CUV or CUV plus a margin (EUV plus). It is possible, however, that current use represents market value, providing that the CUV is in excess of the residual value produced by a proposed development (Page 17, Para 3.4.1).*
- Once a Site Value...has been established, and therefore has regard to the market, it is of course possible to show ('back out') how this can be disaggregated in terms of EUV plus the premium element. Practitioners and users will see the significant variance that can occur between different schemes in respect of the 'premium' element. This is why the practice of applying a singular approach, i.e. in the absence of market testing, of so called standard mark ups (the 'premium') to EUV is arbitrary, does not reflect the market, and can result in the over or under valuing of the site in question (Page 17, Para E.1.11).*
- 4.36 Whilst 'EUV plus a premium' can be useful to help 'triangulate' the market value for a particular site, the emphasis does have to be on property market evidence if the scheme is to be grounded in reality and therefore deliverable. It is for these reasons that we commend the RICS Guidance.
- 4.37 The government published a revised draft NPPG in March 2018. The draft NPPG document states (at page 8) that *'benchmark land value should be calculated on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum price at which it is considered a rational landowner would be willing to sell their land. This approach is often called 'Existing Use Value Plus' (EUV+).'*
- 4.38 The draft NPPG document goes on to advise (at page 9) that *'when undertaking any viability assessment, an appropriate minimum premium to the landowner can be established by looking at data from comparable sites of the same site type that have recently been granted planning consent in accordance with relevant policies. The EUV of those comparable sites should then be established...This evidence of the price paid on top of existing use value should then be used to inform a judgement on an appropriate minimum premium to the landowner.*

- 4.39 Consequently, we take the view that the draft NPPG is effectively advocating the approach commended by LSH and the RICS Guidance (see 4.36 above) that the emphasis does have to be on property market evidence if the scheme is to be grounded in reality and therefore shown to be deliverable.
- 1.7 The updated version of the NPPG and revised ‘*viability*’ topic area ² clearly places a greater emphasis on the ‘EUV plus a premium’ approach than previous versions of such planning guidance. It seems the Government’s motivation for adopting this revised emphasis is to move away from, what had become, a perception of a circular practice of setting landowner’s expectations (i.e. ‘benchmark land values’) in the plan-wide viability testing process in the context of historic transactions. Such transactions may fail to fully reflect planning policy compliance, particularly in the context of newly emerging policy. This leads to the danger of artificially inflated land value assumptions as part of the plan-wide viability testing process. Where land values are artificially high the viability assessment process will result in planning obligations, including policy on-site affordable housing, being set at overly reduced levels.
- 1.8 Notwithstanding the above comment (1.7) the updated version of the revised ‘*viability*’ topic area ² of the NPPG is caveated throughout with need for the ‘EUV plus a premium’ approach to be informed by market evidence (see our underlined emphasis in *Fig 2* above), subject to such evidence being ‘*based on developments which are compliant with policies, including for affordable housing.*’ (Para 014). The guidance is also explicit that the premium to incentivise landowners must be established through an iterative and collaborative engagement between plan makers, landowners, developers, infrastructure and affordable housing providers. This reiterates existing advice contained within the Hardman Guidance and followed in our Local Plan Viability Assessment (step 2 of our study method – detailed at para 4.13).
- 1.9 Consequently we take the view that the above commentary (4.36 to 4.39) of our Local Plan Viability Assessment Report (Stage One) remains relevant in the context of the revised ‘*viability*’ topic area ² of the NPPG.
- 1.10 In conclusion it remains our view that ‘EUV plus a premium’ is useful to help ‘triangulate’ the market value for a particular site, but the emphasis does still have to be on property market evidence in the context of adopted, or potential, planning policy. Clearly if no such directly comparable market evidence exists (for example, where emerging planning policy differs significantly from existing policy) then there is the need to make appropriate adjustments to the most relevant available market evidence to arrive at a realistic value assumption.