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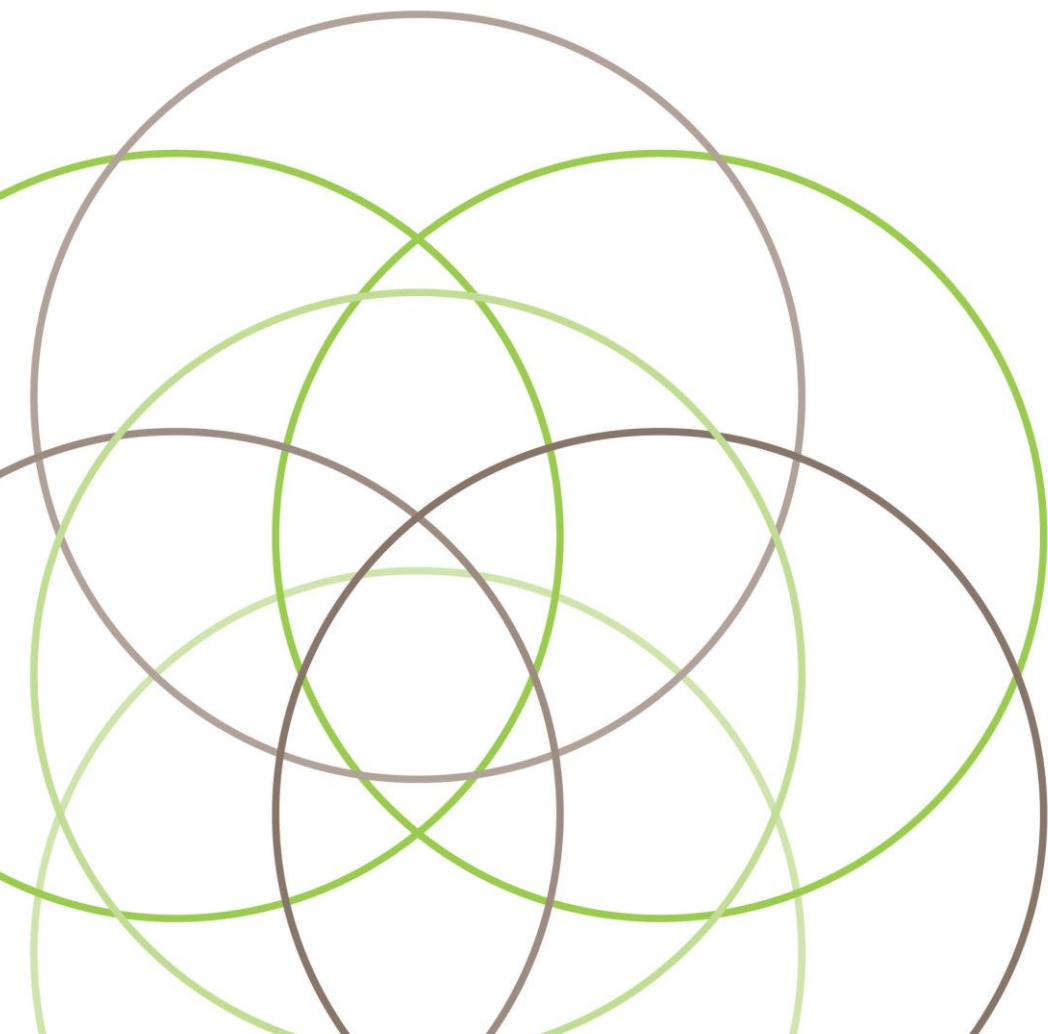
Plan Viability Testing Update



Redcar and Cleveland Borough
Council

December 2016

Private and Confidential



Quality Assurance

Date

13 January 2017

Version

Final

Filename and path

S:_Client Projects\1610 Redcar and Cleveland Plan Viability_R&C Council\Reports\Redcar & Cleveland_Draft Report_v1.docx

Authorised by

Stuart Cook BSc (Hons) MRICS

Limitation

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The assumptions used in this Plan Viability Testing Update are sufficiently robust to inform the viability of plan policies but not appropriate to use in individual site assessments (for example Section 106 assessments). The Client or third parties should not rely on the information in this report to inform assumptions for site specific viability testing. This accords with the

Harman Report which states:

'It is important to keep in mind that assessing the potential viability of plan policies will not take the same form nor share the same set of assumptions as a site-specific development appraisal.

*When looking at whether or not a particular site is viable, it will be assessed against the existing planning policy, whereas a plan-wide test is carried out to help inform future policy.'*¹

And the NPPG:

*'Decision-taking on individual applications does not normally require consideration of viability. However, where the deliverability of the development may be compromised by the scale of planning obligations and other costs, a viability assessment may be necessary. This should be informed by the particular circumstances of the site and proposed development in question. Assessing the viability of a particular site requires more detailed analysis than at plan level.'*²

¹ Local Housing Delivery Group, Local Government Association / Home Builders Federation / NHBC (20 June 2012) Viability Testing Local Plans, Advice for planning practitioners, Edition 1 (the 'Harman' report) page 25

² Paragraph: 016 Reference ID: 10-016-20140306 (access 01/12/16)

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Executive Summary

- ES 1 AspinallVerdi has been instructed by Redcar and Cleveland Borough Council to undertake an update to the Whole Plan Viability Testing (WPVT) completed by Peter Brett Associates (PBA) in 2013. This study needs to be read in conjunction with the previous PBA because it builds on and updates the 2013 assumptions and findings.
- ES 2 In our assessment we have reviewed changes to policy and guidance, methodology, policy costs, market conditions and viability since the PBA 2013 WPVT study.

PBA 2013 WPVT Study Findings

- ES 3 The 2013 PBA WPVT study found that the sites in the housing trajectory, at the time, were generally viably deliverable. With sites in the lower value area generally viable without affordable housing charges, and sites in the standard value area viable with 15% affordable housing.

AspinallVerdi Update Study Findings

- ES 4 Our viability assessment shows that the residential market has changed since the 2013 PBA WPVT. Viability in the lower value has worsened but viability in other areas has improved to the extent to warrant analyses of a higher value zone.
- ES 5 Our viability assessment shows that development in the lower value area is unviable with no policy costs. This should not be considered a significant issue for delivery of the plan because there is no single significant site in the lower value area which is dependent on the plan delivery.
- ES 6 Our viability assessment shows that sites in the standard value and higher value zones, where the bulk of development is identified during the plan period, are viable. Our standard zone area shows that the sites are viable with 15% affordable housing and the £500 basic Section 106/278 costs. Our higher value zone shows that development is viable with 15% affordable housing and the £500 basic Section 106/278 costs. In addition, some scenarios are showing additional surplus which can be used to fund education and leisure contributions – these additional contributions will need to be negotiated on a site by site basis and subject to individual site requirements. Our analysis shows that based on current policy requirements and site allocations for residential sites, RCBC has struck an appropriate balance *‘between the policy requirements necessary to provide for sustainable development and the realities of economic viability.’*³

³ Harman (June 2012) *Viability Testing of Local Plans: Advice for planning practitioners* Page. 10

- ES 7 Our assessment of off-site affordable contribution shows that lower value zone is unviable. Where development in other areas is viable at £52,500 per affordable unit or higher. These off-site contributions can be captured through a calculator based on individual sites or as fixed rate per affordable unit indexed linked for inflation. A suitable calculator is that used by the London Borough of Richmond which calculates the off-site contribution as the difference in cost of the market unit and the capital value of the affordable unit. The costs of the market unit are calculated as the market value of the unit minus profit, the balance is assumed to be the costs to build including fees and land value. If a fixed rate per affordable unit is used, we would recommend an affordable housing unit cost of £52,500 – this to be tracked for inflation. We would recommend inflation is calculated as the difference between Land Registry House Price Index and BCIS Tender Price Index.
- ES 8 Our non-residential testing shows that there is not scope for policy contributions on office or industrial development because these forms of development are unviable.

1 Introduction

1.2 AspinallVerdi has been instructed by Redcar and Cleveland Borough Council to undertake an update to the Whole Plan Viability Testing (WPVT) completed by Peter Brett Associates (PBA) in 2013. This study needs to be read in conjunction with the previous PBA because it builds on and updates the 2013 assumptions and findings.

1.3 This study specifically focuses on:

- **Chapter 2 - Planning Context Update** – we provide an update on any changes to policy and guidance for plan viability testing that has occurred since the PBA 2013 WPVT.
- **Chapter 3 - Methodology** – here we provide our review of the PBA 2013 WPVT and set out any changes that need to be adopted to reflect latest guidance. In addition we set out details of our stakeholder engagement.
- **Chapter 4 - Policy Costs Update** – working with the Council we have identified any policy costs, based on the November 2016 Publication Local Plan document, that will impact development.
- **Chapter 5 - Site Allocations in the Plan** - we have undertaken analysis of the site allocations in the emerging plan to assess whether the type of sites tested in the PBA 2013 WPVT need to be changed to reflect the type of development proposed during the plan period. Where development typologies have changed, these have been updated in our testing.
- **Chapter 6 - Market Value Zones** - based on their market analysis, the PBA 2013 WPVT identified two residential value zones to vary their typology testing. In this chapter we undertake our own market analysis of the residential market to inform whether the proposed zones used in the PBA 2013 WPVT need to be varied as part of our testing.
- **Chapter 7 - Residential Viability Testing Results** - in this chapter we set out our assessment of the residential market and assumption used in our viability testing. We then set out the results of our viability testing.
- **Chapter 8 - Non-Residential Viability Testing Results** – in this chapter we set out our assessment of the office and industrial markets and assumption used in our viability testing. We then set out the results of our viability testing.
- **Chapter 9 - Conclusion and Recommendations** – we bring the findings of our assessment together and provide recommendations on how policy proposals will impact the delivery of the plan.

2 Planning Context Update

- 2.1 Much of the planning context provided in the PBA 2013 WPVT is still under adoption. In this section, we have set out any changes in policy and guidance at national levels along with emerging policy at local levels.
- 2.2 The 2013 study made reference to National Planning Policy Framework (NPPF), which sets out the Government’s planning policies for England and how these are expected to be applied⁴; along with national guidance notes the Harman report and RICS Financial Viability in Planning. All of these documents are still valid and have not been updated since the PBA 2013 study.

National Planning Policy Guidance (NPPG)

- 2.3 Since the completion of the initial plan viability study in 2013 the Department for Communities and Local Government (DCLG) launched this planning practice guidance web-based resource on 6 March 2014⁵. This enables all planning practice guidance to be available entirely online. We do not propose to rehearse every paragraph of this guidance here, but we set out below the key guidance on viability.

Viability

- 2.4 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.⁶
- 2.5 Development of plan policies should be iterative – with draft policies tested against evidence of the likely ability of the market to deliver the plan’s policies, and revised as part of a dynamic process.⁷
- 2.6 Evidence should be **proportionate** to ensure plans are underpinned by a broad understanding of viability. Greater detail may be necessary in areas of known marginal viability or where the evidence suggests that viability might be an issue – for example in relation to policies for strategic sites which require high infrastructure investment.⁸ (our emphasis)
- 2.7 Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable; **site typologies may be used to determine viability at policy level**. Assessment of samples of sites may be helpful to support evidence and more detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan

⁴ DCLG (2012) NPPF page 1

⁵ <http://planningguidance.communities.gov.uk/about/> (accessed 11/1/16)

⁶ Paragraph: 001 Reference ID: 10-001-20140306 (accessed 12/1/16)

⁷ Paragraph: 005 Reference ID: 10-005-20140306 (accessed 12/1/16)

⁸ Paragraph: 005 Reference ID: 10-005-20140306 (accessed 12/1/16)

- relies.⁹ (our emphasis) – In this respect we have set out our rationale for the site typologies for each use within the relevant section below.
- 2.8 Plan makers should ***not plan to the margin of viability but should allow for a buffer*** to respond to changing markets and to avoid the need for frequent plan updating. ***Current costs and values*** should be considered when assessing the viability of plan policy. Policies should be deliverable and should not be based on an expectation of future rises in values at least for the first five years of the plan period. This will help to ensure realism and avoid complicating the assessment with uncertain judgements about the future. Where any relevant future change to regulation or policy (either national or local) is known, any likely impact on current costs should be considered.¹⁰ (our emphasis)
- 2.9 Local Plan policies should reflect ***the desirability of re-using brownfield land***, and the fact that brownfield land is often more expensive to develop. Where the cost of land is a major barrier, landowners should be engaged in considering options to secure the successful development of sites. Particular consideration should also be given to Local Plan policies on planning obligations, design, density and infrastructure investment, as well as in setting the Community Infrastructure Levy, ***to promote the viability of brownfield sites*** across the local area.¹¹ (our emphasis)
- 2.10 ***Central to the consideration of viability is the assessment of land or site value.*** The most appropriate way to assess land or site value will vary but there are common principles which should be reflected. In all cases, estimated land or site value should:
- ***reflect emerging policy requirements and planning obligations and, where applicable, any Community Infrastructure Levy charge;***
 - ***provide a 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. Where transacted bids are significantly above the market norm, they should not be used as part of this exercise.¹² (our emphasis)
- 2.11 The NPPF states that viability should consider “competitive returns to a willing landowner and willing developer to enable the development to be deliverable.” This ***return will vary significantly between projects to reflect the size and risk*** profile of the development and the risks to the project. A rigid approach to assumed profit levels should be avoided and comparable schemes or data sources reflected wherever possible.¹³ (our emphasis)

⁹ Paragraph: 006 Reference ID: 10-006-20140306 (accessed 12/1/16)

¹⁰ Paragraph: 008 Reference ID: 10-008-20140306 (accessed 12/1/16)

¹¹ Paragraph: 025 Reference ID: 10-025-20140306 (accessed 12/1/16)

¹² Paragraph: 014 Reference ID: 10-014-20140306 (accessed 12/1/16)

¹³ Paragraph: 015 Reference ID: 10-015-20140306 (accessed 12/1/16)

- 2.12 A **competitive return for the land owner is the price at which a reasonable land owner would be willing to sell their land** for the development. The price will need to provide an incentive for the land owner to sell in comparison with the other options available. Those options may include the current use value of the land or its value for a realistic alternative use that complies with planning policy.¹⁴ (our emphasis).
- 2.13 These updates in policy though important, do not impact this plan viability study. The PPG website is a tool which states policy clearly and does not majorly deviate from the framework set out in NPPF.

Local Planning Policy

Emerging Local Plan

- 2.14 The PBA 2013 WPVT noted that the focus of residential development in the emerging policy had shifted away from large scale regeneration on brownfield land, to making sites available for greenfield development. The Publication Local Plan November 2016 and the Housing Land Supply and Allocations Background Evidence Paper June 2016 show that allocations for development are still mixed between brownfield and greenfield sites. A number of greenfield sites are potential extensions to existing residential developments. To ensure that this viability update reflects the proposed development sites we have analysed the Publication Local Plan, November 2016 and the Housing Land Supply and Allocations Background Evidence Paper, June 2016 studies to ensure the previous scenarios used in the PBA 2013 WPVT are still reflective of the type of sites coming forward during the plan period, this analysis is set out in Chapter 5 of this study.
- 2.15 With regards to employment development the PBA 2013 WPVT relied on the outcome of the initial 2013 Employment Land Review (ELR) to inform the emerging policy concerning economic development. Since 2013, the ELR has been updated with a 2016 study. As a result of the updated 2016 ELR Policy ED 6 has been amended in the November 2016 Local Plan.
- 2.16 Policy ED 6 protects employment areas and has seen minor amendments since the 2013 ELR. The same core sites are safeguarded in policy the 2013 Draft, and the 2016 Consultation local plans. The only omission in the more recent document being the South Tees Eco Park, South Bank Recycling facility. An updated ELR was carried out in 2016 to help inform this policy. The ELR identified the need for 163ha of employment sites suitable for specialist industries. The Council created a policy protecting existing industrial areas dedicated to the steel and chemical production from conversion to these specialist uses.

¹⁴ Paragraph: 015 Reference ID: 10-015-20140306 (accessed 12/1/16)

3 Methodology

Approach

- 3.1 The methodology used in the PBA 2013 WPVT is still valid, and we have adopted the same approach to assessing the updated plan viability.

Stakeholder Engagement

- 3.2 As part of the update we have consulted with local estates, active commercial agents, the Council's housing department, and Registered Providers.

4 Policy Costs Update

Introduction

- 4.1 The PBA 2013 WPVT identified Redcar and Cleveland as an area with weak development conditions as a result the emerging policy at the time attempted to minimise development costs, and did not introduce a Community Infrastructure Levy (CIL) charge.
- 4.2 The Council has confirmed that in their November 2016 Publication Local Plan that they will still be seeking affordable housing as set out in their October 2011 Affordable Housing SPD which states that *'the Council will seek the provision of at least 15% affordable housing on all housing developments of 15 dwellings or more.'*¹⁵

Section 106 Planning Obligations & Community Infrastructure Levy (CIL)

- 4.3 At the time of the PBA 2013 WPVT the Council were unsure whether to adopt a CIL or continue using Section 106 Obligations to capture developer contributions. The PBA 2013 WPVT assumed a £500 per unit cost for S.106/278 for works as connections to existing roads, and they tested whether there was any viability surplus for a CIL Charge. For the site specific testing the PBA 2013 WPVT used a higher S.106 cost of £2,800 per unit.
- 4.4 At this stage the Council does not intend to levy a CIL Charge, Policy SD 5 of the November 2016 Publication Local Plan states that:
- 'Developer contributions will normally be secured through planning obligations. In the event that the Council adopts a Community Infrastructure Levy (CIL), certain developer contributions will be payable through that mechanism.'*
- 4.5 Paragraph 2.38 of the November 2016 Publication Local Plan does states that:
- 'The Council may introduce a Community Infrastructure (CIL) Levy in the future to secure funds to pay for infrastructure projects, in particular infrastructure which is required due to the cumulative impact of all development. However, even if a CIL is adopted by the Council, planning obligations will still be used for site specific mitigation measures.'*
- 4.6 As part of this update the Council has confirmed that there have not been many changes since the PBA 2013 WPVT. But the Council has advised that this study needs to consider education.
- **Education** – RCBC Developer Contributions SPD December 2014 states:

¹⁵ RCBC (October 2011) *Affordable Housing SPD*

'Developments consisting of a net increase of 10 or more dwellings (or a site area of 0.5ha or more) may be required to enter into a planning obligation with the Council to provide a contribution to increase education provision'

Paragraph of 4.67 The SPD states that the cost for Primary School:

The current estimated cost of extending an existing primary school is £13,212 per primary school place. Based on an average occupancy rate of 0.2 per dwelling for primary pupils(11) the financial contribution to extend an existing primary school will be expected to be around £2,642 per dwelling.

Paragraph of 4.68 The SPD states that the cost for Secondary School:

The current estimated cost of extending an existing secondary school is £19,908 per secondary school place. Based on an average occupancy rate of 0.15 per dwelling for secondary pupils(12) the financial contribution to extend a secondary school will be expected to be around £2,986 per dwelling.

- 4.7 We have not been informed by the Council of any other policies that may result in a cost to development which needs to be reflected in this assessment. If at a later stage it emerges there are policies which will result in a costs to development which have not been covered in this assessment then our findings need to be updated.

5 Site Allocations in the Plan

5.1 This section provides our update of the updated site allocations for the emerging plan. We have used this analysis to inform whether the typologies tested the PBA 2013 WPVT are still appropriate for our testing or whether different scenarios need to be tested to reflect the updated plan.

PBA Site Testing

5.2 Table 5-1 sets out the generic residential scenarios tested in the PBA 2013 WPVT.

Typology	Site area ha	Number of units	Dwellings per ha
Greenfield Large	3	105	35
Greenfield Small	0.5	18	36
Brownfield Large	3	105	35
Brownfield Small	0.5	18	36
Brown/greenfield Large	3	105	35
Brown/greenfield Small	0.5	18	36

Table 5-1 PBA Residential generic site testing (Source: WPVT Redcar & Cleveland Local Plan 2013)

5.3 In addition to the generic sites tested, PBA tested the following specific sites:

- Marske Inn Farm – large greenfield site of 1,000 units (700 in plan)
- Galley Hill – large greenfield site of 350 units
- West of Pine Hills – large greenfield site of 100 units.

Allocation Profiles

5.4 To help devise residential scenarios we have analysed the Council's Housing Land Supply and Allocations Background evidence paper, 2016 to establish the type of sites coming forward during the plan period. Our analysis is contained Appendix 1 and summarised Table 5-2.

5.5 The Local Plan shows the type and location of sites coming forward for development. Table 5-2 shows that development is spread over a number of site capacities. Over 45% of the sites coming forward in are between 26 – 100 units in size.

- 5.6 There is limited data available concerning the percentage of developable area on sites. This has created difficulties when determining average densities. Only 9 sites have this information, providing an average density of 37 dwellings per hectare (dph). Based on the information provided the sites with a higher dwelling capacity have a lower average density.
- 5.7 Land type varies from site to site, with larger capacities predominantly greenfield. There are only two sites in the allocation designated green/brownfield land.

Capacity banding	Number in banding	Number with density data	Average density	No. in each land type*		
				G	B	M
0 - 10	4	0	n/a	1	3	0
11 - 25	4	2	40	1	3	0
26 - 50	8	3	36	3	4	1
51 - 100	6	1	48	2	4	0
101 - 250	4	1	22	4	0	0
250 - 500	2	2	38	2	0	0
500+	2	0	n/a	1	0	1

Table 5-2 Analysis of residential Allocations (Publication Local Plan November 2016)

* G – Greenfield; B – Brownfield; M – Mixed green/brownfield

- 5.8 Taking into our account our analysis in Table 5-2 we have formulated residential scenarios, which are set out in Table 5-3.

Type of Land	Size profile	Size (ha)	Number of units	DPH	Tenure Mix			
					Private		Affordable	
					No. Units	%	No. Units	%
Greenfield	Small	0.6	21	35	18	85%	3	15%
	Medium	3	105	35	89	85%	16	15%
	Large	8	280	35	238	85%	42	15%
Brownfield	Small	0.6	21	35	18	85%	3	15%
	Medium	3	105	35	89	85%	16	15%
Brownfield/ Greenfield	Small	0.6	21	35	18	85%	3	15%
	Medium	3	105	35	89	85%	16	15%

Table 5-3 Generic Residential Scenarios (Source: AspinallVerdi)

- 5.9 The scenarios are based on a different profiles of land type, site capacity and density. Due to a number of large new sites within the emerging plan, a larger size category has been added. The breakdown of profile are as follows:
- Greenfield / brownfield / mixed - there are likely to be variations in abnormal costs dependent on the state of the land. Greenfield land obviously being the lowest costs, brownfield the highest with a mixed sitting in between.
 - Small / Medium / large - the banding of number of units in each allocation has changed with the addition of an extra size profile, as follows:
 - Small - 0.6 hectares delivering 21 units
 - Medium - 3 hectares delivering 105 units
 - Large - 8 hectares delivering 280 units
- 5.10 As a result of our analysis, there have been changes in the typologies since the PBA 2013 WPVT:
- The number of units tested in the small size profile has increased from 18 to 21 as 2016 site allocations show a higher average unit count in the small category.
 - We have added a large category for only a greenfield category classification to reflect the Council's Housing Land Supply and Allocations Background evidence paper 2016.
 - We have not tested any specific case study sites because those sites previously tested in the PBA 2013 WPVT now have planning permission. Furthermore, our sample testing is a sufficient representation of sites coming forward during the plan period.

Non-residential Sites

- 5.11 The PBA 2013 WPVT identified that the main non-residential uses in the plan were office and general industrial/warehouse space. The PBA study stated that retail is thought not to be a likely major element of the plan. We understand from the Council that this position has not changed in the Publication Local Plan November 2016.
- 5.12 The PBA 2013 WPVT study stated that office and industrial/warehouse development was not viable at their time of their study but did not provide any viability evidence to support their assessment. The NPPG explains that:

'Viability assessments should be proportionate, but reflect the range of different development, both residential and commercial, likely to come forward in an area and needed to deliver the vision of the plan. Different types of residential development, such as those wanting to build their

*own homes and private rented sector housing, are funded and delivered in different ways. This should be reflected in viability assessments.*¹⁶

- 5.13 In response to the NPPG we have undertaken viability testing for offices and industrial/warehousing.

Office Scenario

- 5.14 The 2016 ELR identifies Kirkleatham Business Park as one of the boroughs strongest office locations. To encourage new development, this business park has a Local Development Order (LDO). The Local Development Order Kirkleatham Business Park, updated 2015, identifies the following types of development at the business park:
- B1 (Business including offices, research and development or light industry)
 - B2 (General industry)
 - B8 (Storage and distribution)
- 5.15 Amongst other things, the LDO permits development without the need for a transport assessment of up to:
- B1 Business = 2,500 sq m
 - B2 General Industry = 4,000 sq m
 - B8 Storage or Distribution = 5,000 sq m
- 5.16 As we set out in our market analysis in Chapter 8 take-up of office space recorded in EGi in borough and wider area has been for smaller suites. We would assume that any development would form smaller suites. To reflect the local market we have assumed a single unit of 500 sq m GIA in our testing.

Industrial/Warehousing Scenario

- 5.17 The 2016 ELR stated that the borough is viewed primarily as an industrial location, with demand for manufacturing and distribution/warehousing space considered to be markedly stronger than for offices. The ELR stated that there is both local demand and 'specialist demand' related to Teesport and Wilton International.
- 5.18 In market terms, the ELR identified a shortage of good quality industrial space in the 10,000 sq.ft to 50,000sq.ft and the 50,000sq.ft plus size bands. Using the ELR as our basis we have tested a generic scenario of a single unit of 25,000 sq ft (2,300 sq m).

¹⁶ Paragraph: 009 Reference ID: 10-009-20140306

- 5.19 As we set out in our market analysis in Chapter 8 take-up of industrial space recorded in EGi in borough and wider area has been for smaller units. To reflect the local market we have assumed a unit size of 200 sq m GIA in our testing.

6 Market Value Zones

PBA 2013 Assessment

- 6.1 We have undertaken an analysis of market value zones to assess whether the typologies need to be varied to reflect differing strengths and weaknesses of the housing market across the borough. This is consistent with the Harman report which states:

‘Account should also be taken of significant variations in strength of market across a local authority area, reflected by sales values and sales rate. If a significant proportion of sites within a typology fall into a stronger or weaker market area then additional typologies should be considered.

There is a balance to be struck here between representation of the main ‘viability characteristics’ of the land supply pipeline and limiting the number of typologies to a manageable number, for clarity of analysis.

Typologies should focus on the types of site that make up the majority of the unconsented land supply that is likely to come forward for development during the policy period under consideration.’¹⁷

- 6.2 In response to the Harman report guidance the PBA 2013 WPVT identified two value zones, as part of the variation to their generic site testing these were:

- Low Value House £1,600 psm
- Standard Value House £1,800 psm
- Low Value Flat £1,500 psm
- Standard Value Flat £1,700 psm

- 6.3 The PBA 2013 WPVT, based their assessment of the two values zones on the following evidence:

- Visually analyse land registry data for the for the last two years through applying it to relevant postcode sectors on a map.
- Overlay future allocated sites to understand potential development distribution.
- Consult with local developers, agents and RCBC.

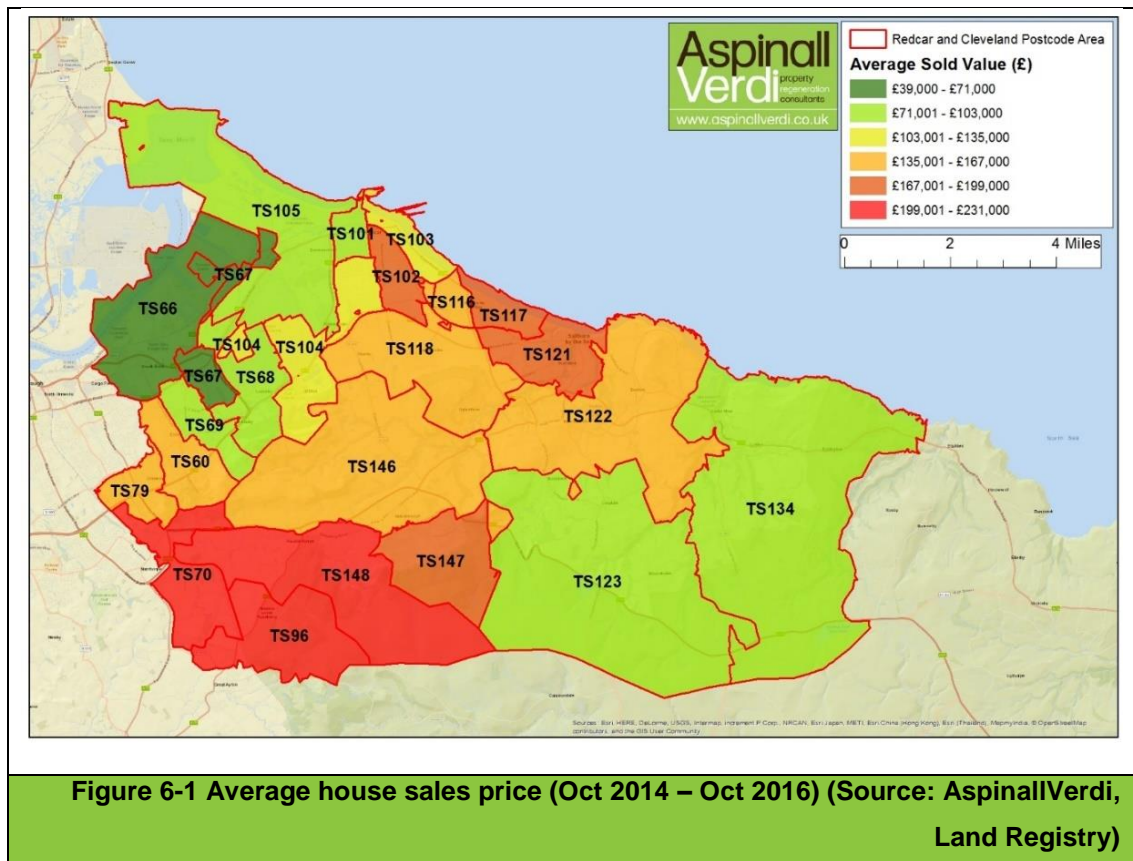
¹⁷ Harman (June 2012) *Viability Testing of Local Plans: Advice for planning practitioners* Page. 42

AspinallVerdi 2016 Update

- 6.4 We have updated the value zone analysis to reflect current market conditions. In our assessment, we have analysed Land Registry data, the November Consultation Local Plan and the Council’s Housing Land Supply and Allocations Background evidence paper 2016.
- 6.5 Shapefiles of postcode boundaries and land allocations were provided by Redcar and Cleveland Council.

House prices

- 6.6 Figure 6-1 shows the average price house price distribution for the Redcar and Cleveland Borough using new and re-sale data over the last two years from Land Registry split by postcode boundary. The data is in bands of £32,000, with lower value areas in green and higher value areas in orange followed by red.



- 6.7 Our data slightly differs from the PBA 2013 WPVT because they divided the borough by Census Standard Table (ST) ward boundaries. For this updated study property price data at ST ward level was not available, therefore we have used postcode boundaries. In addition, the PBA 2013 did not include sold prices of properties in the National Park Area (NPA). It is unclear from the

study why this area has been excluded, but we note that development in the NPA is unlikely to occur.

6.8 Our analysis does support PBA 2013 WPVT assessment of the general value distribution, with lower value areas to the north west of the borough and to the east, with the band of medium to higher value areas running through the centre of the borough. But our analysis shows that average house prices are more extreme, which is supported in our more detailed analysis in Table 6-1, and summarised as follows:

- The PBA 2013 WPVT found the Hutton ward to have the highest property prices, with an average of £185,000. The same area is covered in our analysis by the TS14 8, TS9 6 and TS7 0 postcode sectors, with average prices of up circa. £208,000. The lowest priced areas also continue with the previous reports price distribution. Grangetown ward was the lowest priced area in 2013 and this is still the case. The TS6 6 postcode sector having an average price of circa. £39,000.
- The variation in average price has increased in the past 3 years. PBA reported the differential in price across the borough to be approximately 3 times. In 2016 the difference in price from the lowest average (circa. £39,000) to the highest (circa. £230,000) is over 5 times.

6.9 The changes in boundaries from the previous study will have impacted the exact catchment area. Nevertheless, there is a marked increase in the price difference between lower value and higher value areas.

6.10 Our evidence supports the need for analysis to be undertaken of differing value zones, with scope for a third zone to reflect the highest value area.

Postcode	Average Price	Count
TS14 8	£231,009	138
TS9 6	£222,750	6
TS7 0	£208,711	72
TS12 1	£170,330	184
TS10 2	£157,718	362
TS14 7	£157,254	228
TS11 7	£150,465	117
TS11 6	£143,809	93
TS11 8	£142,551	75
TS7 9	£135,993	165
TS6 0	£133,538	301
TS12 2	£131,472	341
TS14 6	£130,641	199
TS10 4	£124,108	248
TS10 3	£110,990	171

Postcode	Average Price	Count
TS12 3	£108,806	50
TS10 1	£103,043	176
TS6 9	£102,734	188
TS10 5	£86,617	91
TS6 8	£84,458	71
TS13 4	£82,663	135
TS6 7	£47,072	41
TS6 6	£39,242	73
Table 6-1 Average house sales price (Source: AspinallVerdi, Land Registry (Oct 2014 – Oct 2016))		

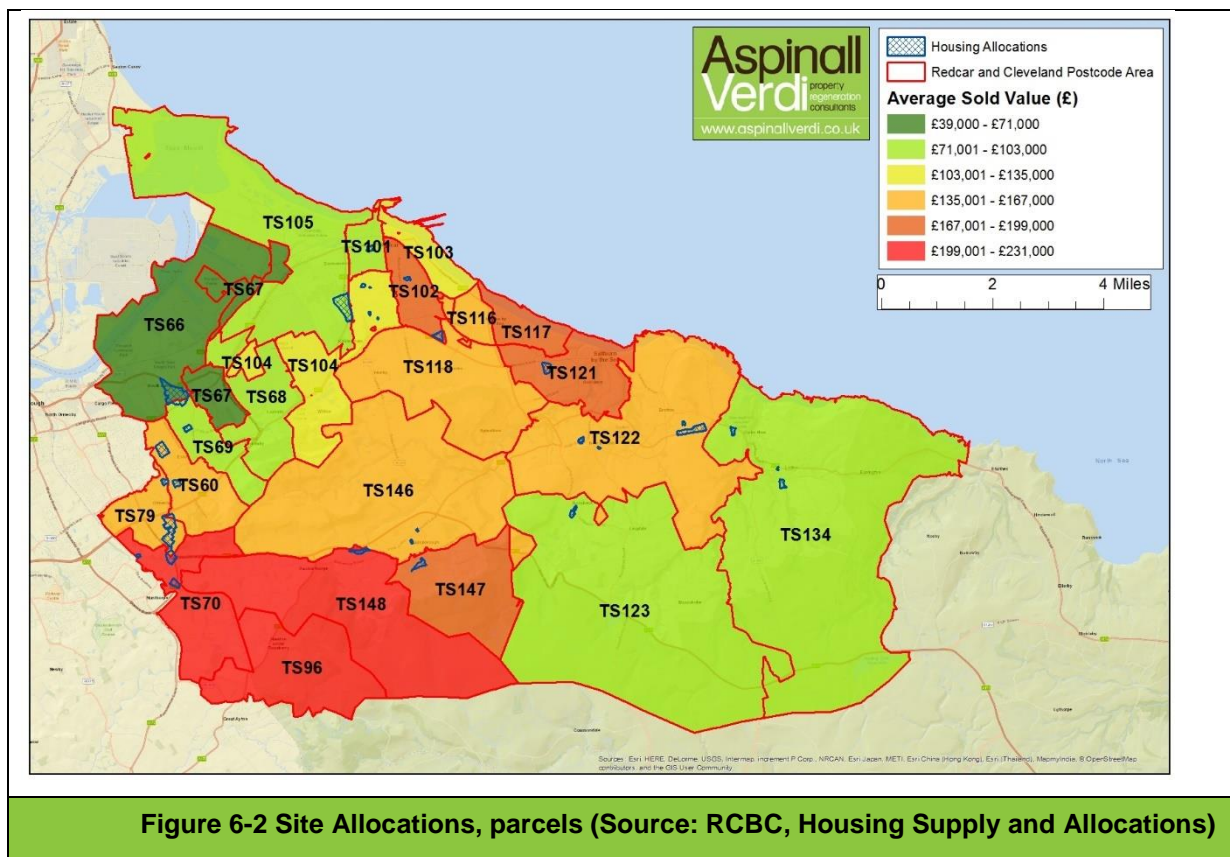
Agent and Developer Consultation

6.11 To supplement the desk based research telephone consultations have been undertaken with local estates agents active across Redcar and Cleveland, below are the summarised responses:

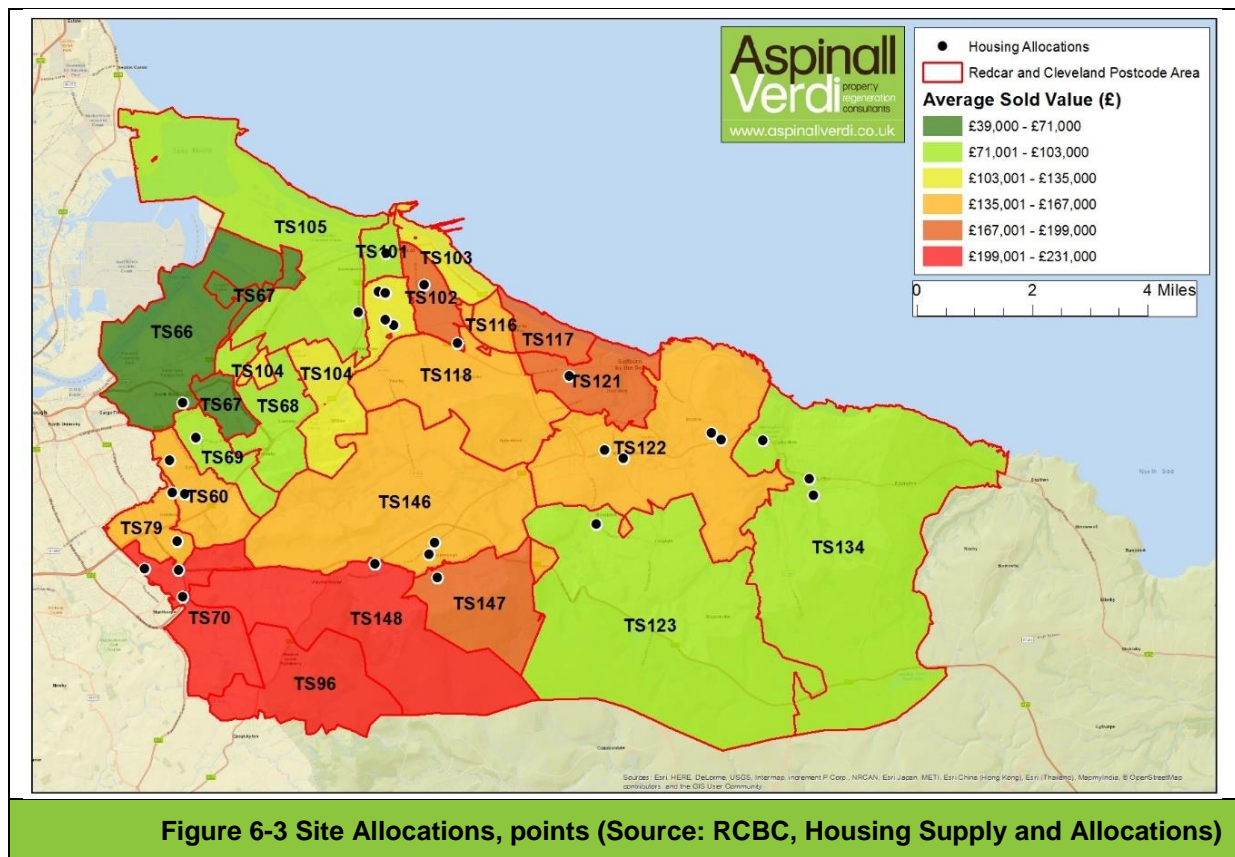
- The borough is split distinct areas of low and high value. The north west, around Grangetown, South Bank and Eston generally achieve the lowest values. The highest values are achieved in the south west around Guisborough and its surrounding areas.
- In the north west property prices are impacted due to individuals low incomes and difficulty ability to get a mortgage. These lower value areas have seen property prices decrease further due to the closure of the Tata steel works.
- The south is a more affluent area and tends to attract people who want larger high quality units. In recent years, the market has been steady, seeing little increase in values.
- Redcar itself tends to have more moderate values than the southern portion of the borough. The towns and villages to the east of Redcar i.e. Marske and Saltburn, achieving comparable values for similar properties.
- Agents gave a broad indication of what values they could achieve for a generic new build 85 sqm, 3 bedroom semi detached properties:
 - Lower Value area: (Southbank, Grangetown etc., postcodes TS6 6, TS6 7, TS6 8, TS6 9 etc.) £115,000 - £130,000. This value could be even less in the lowest postcode areas of the low value area. This figure is a high-level indication for the whole low value area.
 - Standard Value area: (Redcar, Marske, Saltburn etc. postcodes TS10 2, TS11 8 TS14 6 TS12 2 TS13 4 etc.) £155,000 - £170,000
 - High Value area: (Nunthorpe, Guisborough etc. postcodes TS7 0, TS14 8, TS9 6) £160,000 - £190,000

Future Development Sites

- 6.12 It is not enough to only study the house prices in RCBC area. The location of allocated sites must be considered as if there is not proposed development in an area there is no need to create a different value zone.
- 6.13 Two maps have been created to show all sites included in the local plan. These sites may not all be developed, though their inclusion in the plan shows that it is possible.
- 6.14 Figure 6-2 displays land allocation, with the exact boundaries of sites overlaid on the property postcode sector boundaries. This shows us the spatial distribution of the sites along with the size of the different parcels of development land. This map is useful at showing the larger pieces of land however smaller parcels do not show clearly.



- 6.15 Figure 6-3 shows the development areas as points making it easier to see the distribution of sites of all sizes, rather than just those of a significant size.



6.16 Potential residential development sites are spread throughout the borough and cover a number of different average property price areas. There is only one development site partially located in the lowest priced area, though there are a number of sites allocated in the highest. This must be carefully considered when evaluating the existing value zones established in the PBA 2013 WPVT, and if any further zones are proposed.

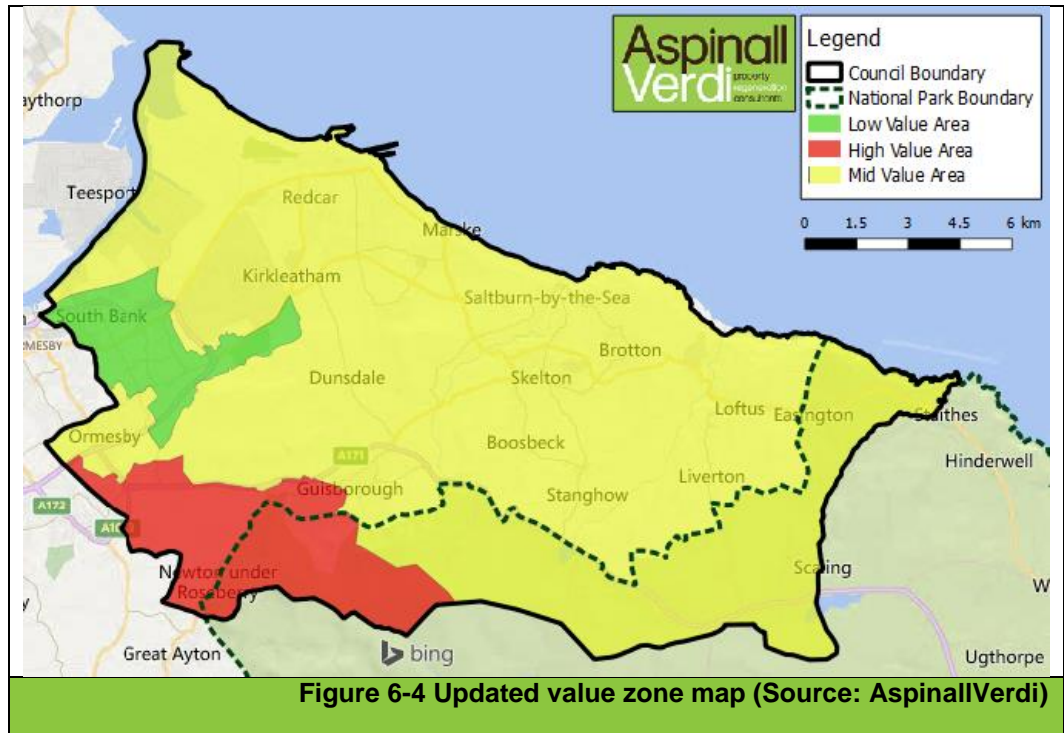
Zone Boundaries

6.17 The method and evidence set out in this section has provided an up to date picture of the current residential market in the Redcar and Cleveland Borough, our findings show:

- The 2013 PBA WPVT report identified lower value area around Grangetown, and this is still the case in our assessment. Therefore, we propose no change to the lower value zone in our assessment.
- We have identified a higher value zone to the south of the borough in the around the Nunthorpe and Guisborough areas. The 2013 PBA WPVT acknowledged that this had higher values but treated this area as part of their standard value zone. We are of the opinion that there is merit in having a higher value zone because the Housing Land Supply and Allocations document identifies development in this area.

- The 2013 PBA WPVT report identified the bulk of development coming forward in the standard value zone, and this is still the case our assessment. Noting the exception of our higher value zone.

6.18 Figure 6-4 sets out our updated value zones for our viability assessment.



6.19 Table 6-2 sets out the postcode areas included in each value zone. The lower value zone is based on PBA’s assessment which follows Census Standard Table (ST) ward boundaries. This severs postcode areas meaning some they are partially included in both lower and standard value areas. We have distinguished between the postcode areas which are major and minor inclusions in each zone.

Low Value zone	Standard Value	High Value
Postcode areas		
TS6 6 (Major inclusion)	TS10 1	TS14 8
TS6 7 (Major inclusion)	TS10 2	TS7 0
TS6 8 (Major inclusion)	TS10 3	TS9 6
TS6 9 (Major inclusion)	TS10 4 (Major Inclusion)	
TS10 4 (Minor Inclusion)	TS10 5	
TS6 0 (Minor Inclusion)	TS11 6	
	TS11 7	
	TS11 8	
	TS12 1	
	TS12 2	
	TS12 3	
	TS13 4	
	TS14 6	
	TS14 7	
	TS6 0 (Major Inclusion)	
	TS6 6 (Minor Inclusion)	
	TS6 7 (Minor Inclusion)	
	TS6 8 (Minor Inclusion)	
	TS6 9 (Minor Inclusion)	
	TS7 9	
Table 6-2 Postcodes in value zones (Source: AspinallVerdi)		

7 Residential Viability Testing Results

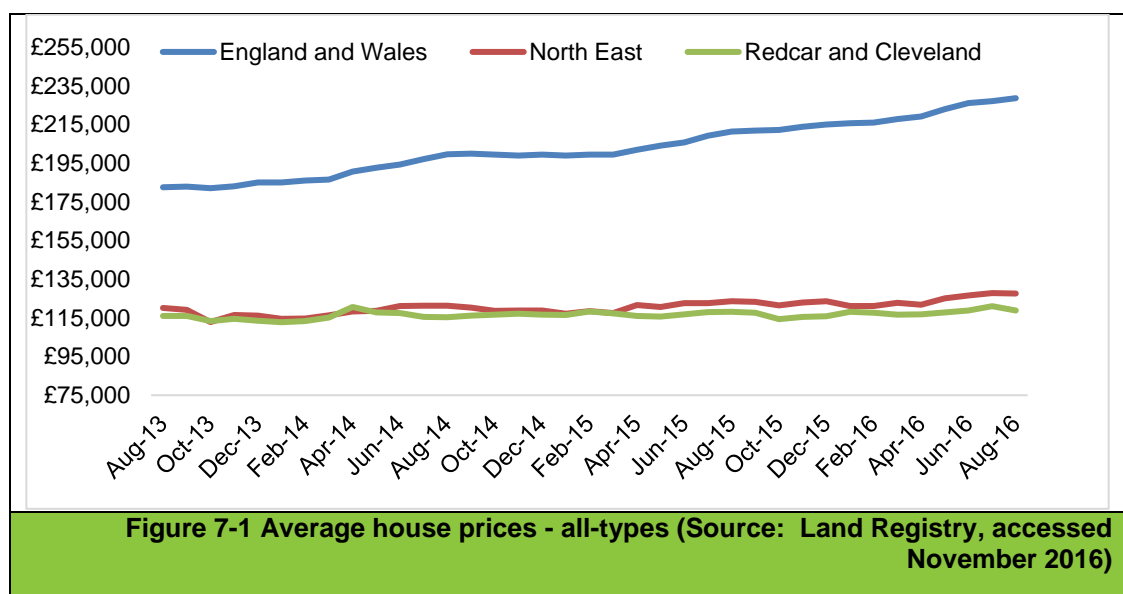
7.1 In this section we set out the assumptions used in our residential scenario testing and the results of this testing. First of all, we set out our market analysis which has been used to inform the sale values, followed by our cost assumptions and then finally the results of our testing.

Residential Market Assessment

7.2 The Redcar and Cleveland residential market has been compared nationally, within the North East, and locally within Redcar and Cleveland to assess current conditions. Data has been collected both from sales values and asking prices from online sources. Data has been collected from Land Registry and EPC (Environmental Performance Certificates).

Residential Market Overview

7.3 Since the Global Financial Crisis, the UK property market has been in a period of growth. The strong level of demand has led to an imbalance in the market, with demand significantly outstripping supply. The supply constraints have led to average prices rising for the whole of England and Wales the country. Figure 7-1 shows the average property prices (new and re-sales) for England & Wales, the North East and Redcar and Cleveland. Since 2013, the England and Wales average has increased by around 21%, from £182,553 to £228,671. In the same period prices across the North east have increased at a slower rate, circa 6%, and, Redcar and Cleveland slower still at 2.5%. The average price in Redcar and Cleveland in August 2016 was £118,860. This is a comparable level to when PBA undertook the 2013 PBA WPVT.



New Build Sale Prices

- 7.4 New build sale values sales have been analysed using Land Registry Data, this data has been analysed on a £ per sq m through cross referencing the data with Energy Performance Certificates (EPC). The data covers from (January 2015 – November 2016), the full analysis is contained in Appendix 2 and a summary provided Table 7-1.
- 7.5 Table 7-1 shows the average achieved value per sqm for all new build property types. Properties have been split into the proposed low, medium and high value zones. Each zone shows a clear difference in average price psm and average size. The high value areas see an average price psm of £2,297, considerably higher than the £1,579 seen for the low value zone.

Value zone	Average Price	Average price psm	Average size sqm
Low	£134,520	£1,579	85
Standard	£198,481	£1,903	106
High	£237,955	£2,297	104

Table 7-1 New build Sales Values (Source: Land Registry, last accessed November 2016)

Threshold Land Values

- 7.6 The spatial distribution of property prices and specific value zones can provide an indication of the price of residential development land. The value at which a landowner will sell to the developer can be referred to as the *threshold land value*. The same methodology has been used as in the 2013 PBA WPVT.
- 7.7 To establish suitable threshold land values we have had regard to agricultural land values and employment land values for existing use value calculation. For our market value adjusted for policy assessment of land value we have had regard to sold prices. Our analysis is as follows:

Existing Use Value plus Premium

- 7.8 Knight Frank report that average agricultural land values across England are £19,538¹⁸ per hectare, a figure which has decreased over the past 2 years. Carter Jonas give an indication for the whole of the North of England as '*A two tier market is becoming increasing apparent in the North, with the upper tier between £12,000 - £15,000 per acre and the lower between £8,000-£12,000 per acre. Values do vary on a parish by parish basis...*'¹⁹

¹⁸ Knight Frank (2016) *Farmland Index*

¹⁹ Carter Jonas (2015) *Winter Summary of Land and Farm Agency Performance Across the Regions*

7.9 As we show below, land in Redcar and Cleveland is likely considered lower tier. There is little sales data for agricultural land sales in Redcar and Cleveland so we have collected evidence from the wider area, these are as follows:

- Land Adjacent to South Lund Farm Tame Bridge, Stokesley, North Yorkshire, TS9 5LH – 21.67 acres (8.77 hectares) for sale offers in excess of £163,000 (£7,522 per acre / £18,586)
- High Worsall, Yarm, Cleveland, TS15, North Yorkshire – 296 acres (119.8 hectares) under offer £2,250,000 (£7,601 per acre / £18,781 per hectare)
- Land At Great Broughton, Great Broughton, Middlesbrough, Cleveland, TS9 7ET, North Yorkshire for sale guide price £900,000 (£7,759 per acre / £19,149 per hectare)

7.10 Based on our evidence shows that a suitable agricultural land value for the borough is £18,780 per gross hectare (£7,600 per gross acre). To this existing use value we need to apply a suitable landowner premium. When setting a suitable premium above the existing use values we are mindful of the Harman report which states:

‘the premium should take account of the make-up of key landowners within the area and their interests. In areas where landowners have long investment horizons and they are content with current land use, the premium will be higher than in those areas where key landowners are more minded to sell.....

.....This is particularly the case in relation to 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 family, trust or institution’s 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 and requires very careful consideration.

It should also be recognised that landowners’ expectations are not necessarily related directly to the economic circumstances of the locality, given that farmland of equivalent quality has a broadly similar intrinsic value irrespective of its geographic location within the country.’²⁰

7.11 In terms of applying a suitable premium to the agricultural value we have regard to the HCA Viability toolkit assumptions (2010 Annex 1 ‘Transparent Viability Assumptions²¹) Section 3.5 which states that:

²⁰ Harman Report (2012) page 30

²¹ HCA, 2010, Area Wide Toolkit Annex 1 Transparent Viability Assumption, Homes & Communities Agency

'Benchmarks and evidence from planning appeals tend to be in a range of 10% to 30% above EUV in urban areas. For greenfield land benchmarks tend to be in the range of 10 to 20 times agricultural value'

- 7.12 Applying a 10 to 20 times uplift to our assessment of agricultural land of £18,780 per hectare (£7,600 per acre) results in a value of between £187,800 and £375,600 per gross hectare (£76,000 £152,000 per gross acre) - this assumes unserviced land.
- 7.13 Our brownfield assessment of existing use plus premium has considered employment sites. Our analysis of sold employment sites in Table 7-2 shows limited transactions for sites in Redcar and Cleveland, therefore we have also considered the adjacent Middlesbrough market. The evidence in Table 7-2 shows that prices vary with the standard of the sites services, quality of the land and location, with prices ranging between £170,000 to £235,000 per hectare.

Location	Size hectare	Price	Price per Hectare	Comments
Intellect Court, TS2	2.03	£450,000	£222,222	The land is situated next to Simcox Court and is in a prominent position on Riverside Park, an established business park approximately 1.5 miles North West of Middlesbrough town centre
Land at Riverside Park, Cleveland, TS2	2.31	£385,000	£166,775	Riverside Park is one of Teesside's premier business locations situated close to Middlesbrough Town Centre and adjacent to the A66(T) which provides direct access to the A19(T) and A1(M)
Cleveland, TS6	0.85	£200,000	£235,156	2.1 acres of land, (may split) situated in between the A66 and Middlesbrough Road Suitable for a variety of uses subject to planning.

Table 7-2 Employment Land Asking prices (Source: Rightmove Accessed November 2016)

7.14 As stated above HCA guidance refers to a premium of 10% to 30% above the existing use value. Applying the minimum premium would give a threshold land value of between £184,000 and £258,500 per hectare.

Market Value minus Policy Costs

7.15 The RICS Guidance notice recommends a market value approach adjusted for policy, we have therefore had regard to comparable land value transactions these are set out in Table 7-3. Our analysis shows lower value and standard value zones land values range between £470,000 and £500,000 per hectare. Greenfield land value in the higher value zone are much higher at between £1.4 million and £2 million per hectare.

Value zone	Area	Date	Size ha	Sold price	Price per ha	Land Type	Comment
Lower value	Eston	2016	1.38	£650,000	£471,014	Brownfield	no planning
Standard value	Redcar	N/a	0.17	£85,000	£500,000	Brownfield	Unconditional cash transaction (no planning)
Higher value	Nunthorpe Swans Corner	2016	7.69	£15,125,000	£1,966,840	Greenfield	conditional on planning (now has planning)
Higher value	Guisborough	2013	1.07	£1,515,000	£1,415,888	Greenfield	no planning
Higher value	Just outside Nunthorpe	2014	1.44	£475,000	£329,861		Unconditional cash transaction (no planning) not all developable

Table 7-3 Sold residential land values (Source: GVA)

7.16 In addition to the sold prices analysis above, our telephone consultation with agents indicate that developers for housing sites in the borough are bidding on brownfield and mix brownfield/greenfield sites at around £490,000 to £560,000 per hectare – these values do not factor in any affordable housing provision.

7.17 During consultations agents discussed general market sentiment in the area.

- They noted that the market was not a hugely active one, especially in lower value areas where it was hard to attract developers. Land agents highlighted similar local issues as estate agents, suggesting that closures of local employment sites were impacting on

average incomes, people ability to get a mortgage and average property prices. This is having a negative knock on effect on residential development land values.

- Agents discussed a number of different types of deals from small unconditional cash transactions, with no planning permission, to much larger and expensive sites with conditional permission for residential units. As expected this sites with conditional planning permission achieved more per acre than those without.

Appraisal Assumptions

7.18 A full list of our appraisal assumptions is contained in Appendix 3 of this report. We have compared our assumptions in Appendix 3 against the 2013 PBA WPVT assessment for ease of reference. We set out below our key viability assumptions used in our testing:

- **Sale values:**
 - Lower value - £1,500 psm
 - Standard value - £1,900 psm
 - Higher value - £2,100 psm
- **Affordable housing values** – blended rate of 47.5%. RPs have indicated that affordable housing values, regardless of tenure are between 45% and 50% of market value. We have assumed a mid-point in our assessment.
- **Average unit size** - 85 sq m
- **Build costs** – BCIS lower quartile costs, re-based for Redcar & Cleveland, at £843 psm (evidence contained in Appendix 4)
- **External works:**
 - Greenfield sites – 15% of BCIS costs
 - Brownfield sites – 10% of BCIS costs
 - Brownfield/greenfield sites – 12.50% of BCIS costs
- **Remediation/ demolition**
 - Greenfield sites – £0
 - Brownfield sites – £200,000 per net ha
 - Brownfield/greenfield sites – £100,000 per net ha
- **Professional fees** - 8% of BCIS costs, in line with the Harman Report, page 45
- **Contingency** - 3% of BCIS costs, in line with industry norms.

- **Section 106 Obligations/278** - £500 per unit mitigation measure for the Teesmouth and Cleveland Coast SPA, and works as connections to existing roads. A further £4,000 per unit for education and leisure, based on past two years collection figures.
 - **Profit margin**
 - Market units – 20% of GDV
 - Affordable units – 6% of GDV
- 7.19 The assumptions that we have used in our appraisals are sufficiently robust for plan wide viability testing but may not be necessarily suitable for site specific testing whereby the landowner/developer will have much more detailed knowledge of site constraints and local market opportunities. Furthermore, this assessment is used to inform policy whereas site specific testing is assessed against the policies in the plan – this acknowledge by the Harman report as follows:
- 'It is important to keep in mind that assessing the potential viability of plan policies will not take the same form nor share the same set of assumptions as a site-specific development appraisal.*
- When looking at whether or not a particular site is viable, it will be assessed against the existing planning policy, whereas a plan-wide test is carried out to help inform future policy.'*²²
- 7.20 Furthermore, the acknowledges that when assessing individual sites, more detailed analysis is required than at plan level:
- 'Decision-taking on individual applications does not normally require consideration of viability. However, where the deliverability of the development may be compromised by the scale of planning obligations and other costs, a viability assessment may be necessary. This should be informed by the particular circumstances of the site and proposed development in question. Assessing the viability of a particular site requires more detailed analysis than at plan level.'*²³

Result of Viability Testing

- 7.21 The 2013 PBA WPVT tested four policy 'layers' in order asses the cumulative impact of policies. The policy layers tested were as follows:
- First policy layer a basic £500 per unit of S106/278 is paid for requirements such as connections to existing roads.
 - Second policy layer tested 15% affordable housing and £500 per unit S106/278 costs. This requirement can have a significant effect on values.

²² Harman (June 2012) *Viability Testing of Local Plans: Advice for planning practitioners* Page. 25

²³ Paragraph: 016 Reference ID: 10-016-20140306 (access 01/12/16)

- Third policy layer a £2,800 per unit of S106/278 for identified site specific costs on strategic sites.
 - Fourth policy layer 15% affordable housing with £2,800 per unit S106/278 costs.
- 7.22 The 2013 PBA WPVT found that development was in the lower value area with Section 106/278 costs of £500 per unit but when these increased to £2,800 per unit 15% affordable housing was applied then development became unviable, except one scenario (brownfield/greenfield small) which could support £2,800 per unit contribution. Development in the standard zone was viable across all scenarios tested, except with 15% affordable housing and £2,800 per unit Section 106/278 costs were applied – on this basis all the large scenarios became unviable.
- 7.23 We have also initially tested policy-off (i.e. zero Section 106 and zero affordable housing). We have then added £500 for basic Section 106/278 costs. We have then applied the Council's affordable housing policy of 15%. In our final test we apply an additional Section 106/278 cost of £4,000 per unit to reflect education, leisure and other potential costs such as the Teesmouth and Cleveland Coast SPA mitigation measures and road connections.
- 7.24 Our testing results are colour coded as follows:
- Red meaning unviable
 - Amber meaning marginal viable/unviable – this assessed on the basis if the viability surplus is plus or minus £5 psm (£425 per unit).
 - Green meaning viable – the development surplus is in excess of £5 psm (£425 per unit).
- 7.25 A copy of one set of our appraisals are contained in Appendix 5. These appraisals show 15% affordable housing, £500 per unit basic Section 106/278 and £4,000 per unit Section 106/278 costs to cover leisure, education and other potential costs such as the Teesmouth and Cleveland Coast SPA mitigation measures and road connections.

Zero Policy Contributions

- 7.26 Figure 7-2 shows the result of our testing with zero policy obligations. In the lower value area development is still unviable. Since the 2013 PBA WPVT study, build costs have increased at a higher rate than sales values which accounts for the decrease in viability. In the standard zone and higher value zone development is viable even up to applying £5,000 per unit Section 106/278 costs.

Scenario	Additional surplus per unit for policy contributions										
	£0	£500	£1,000	£1,500	£2,000	£2,500	£3,000	£3,500	£4,000	£4,500	£5,000
Lower Value Zone											
280 Greenfield Large -lower											
105 Brownfield Medium -lower											
21 Brownfield Small - lower											
Standard Value Zone											
280 Greenfield Large -standard	£106	£105	£99	£91	83	75	72,536	67,039	61,115	55,265	49,406
105 Greenfield Medium -standard	£127	£121	£116	£110	104	98	91,978	85,085	80,207	74,328	68,424
21 Greenfield Small -standard	£137	£131	£125	£119	113	107	101,209	95,326	89,449	83,561	77,672
105 Brownfield Medium -standard	£124	£118	£112	£106	100	94	88,484	82,601	76,718	70,833	64,954
21 Brownfield Small -standard	£145	£139	£133	£127	121	115	112,584	106,702	100,821	94,937	89,054
105 Brown/greenfield Medium -standard	£126	£120	£114	£108	102	96	92,653	86,770	80,888	75,006	69,124
21 Brown/greenfield Small -standard	£156	£150	£144	£138	132	126	120,209	114,326	108,443	102,560	96,677
Higher Value Zone											
280 Greenfield Large -higher	£140	£134	£128	£122	117	111	104,857	98,974	93,095	87,210	81,327
105 Greenfield Medium -higher	£164	£158	£152	£147	141	135	128,976	123,094	117,211	111,328	105,445
21 Greenfield Small - higher	£174	£168	£162	£156	150	145	139,495	133,612	127,729	121,846	115,963

Figure 7-2 Viability results - no policy contributions (Source: AspinallVerdi)

Section 106 Policy Contributions @ £500 per unit

7.27 In our second test, we have assumed a basic site specific Section 106 /278 cost of £500 per unit. Figure 7-3 shows that in this scenario both the standard and higher value zones can support this level of contribution, with a viability surplus to fund additional contributions, if required. As expected, the lower value zone cannot support any Section 106 /278 costs.

Scenario	Additional surplus per unit for policy contributions										
	£0	£500	£1,000	£1,500	£2,000	£2,500	£3,000	£3,500	£4,000	£4,500	£5,000
Lower Value Zone											
280 Greenfield Large -lower											
105 Brownfield Medium -lower											
21 Brownfield Small - lower											
Standard Value Zone											
280 Greenfield Large -standard	£106	£97	£91	£83	75	72	69,546	64,049	58,115	52,265	46,406
105 Greenfield Medium -standard	£122	£116	£110	£104	98	92	85,574	80,077	74,153	68,203	62,298
21 Greenfield Small -standard	£131	£125	£119	£113	107	101	95,742	89,818	83,895	77,971	72,047
105 Brownfield Medium -standard	£118	£112	£107	£101	95	89	83,089	77,165	71,242	65,318	59,394
21 Brownfield Small -standard	£142	£137	£131	£125	119	113	107,13	101,247	95,361	89,428	83,504
105 Brown/greenfield Medium -standard	£124	£117	£111	£105	99	93	87,208	81,285	75,361	69,438	63,514
21 Brown/greenfield Small -standard	£150	£144	£138	£132	126	120	120,209	114,326	108,443	102,560	96,677
Higher Value Zone											
280 Greenfield Large -higher	£135	£129	£123	£117	111	105	98,402	92,524	86,646	80,767	74,889
105 Greenfield Medium -higher	£159	£153	£147	£141	135	129	123,521	117,639	111,757	105,874	99,992
21 Greenfield Small - higher	£169	£163	£157	£151	145	139	133,518	127,636	121,754	115,872	109,990

Figure 7-3 Viability results - no policy affordable housing and £500 per unit S.106 (Source: AspinallVerdi)

Affordable Housing & Section 106 Policy Contributions @ £500 per unit

7.28 The next layer of testing assumes the Council’s 15% affordable housing policy is applied with Section 106 /278 cost of £500. Figure 7-4 shows that the higher value area can support this level of contribution with the potential for around a further £5,000 per unit Section 106 /278 cost, if required. In the standard zone development is generally viable, with some scenarios becoming closer to the margins. In the standard zone testing there is scope for an additional £1,500 to £4,500 per unit Section 106 /278 cost, if required, before viability becomes marginal. Again in this scenario development in the lower value area is unviable.

Scenario	Additional surplus per unit for policy contributions										
	£0	£500	£1,000	£1,500	£2,000	£2,500	£3,000	£3,500	£4,000	£4,500	£5,000
Lower Value Zone											
280 Greenfield Large -lower											
105 Brownfield Medium -lower 21 Brownfield Small - lower											
Standard Value Zone											
280 Greenfield Large -standard											
105 Greenfield Medium -standard											
21 Greenfield Small -standard											
105 Brownfield Medium -standard											
21 Brownfield Small -standard											
105 Brown/greenfield Medium -standard											
21 Brown/greenfield Small -standard											
Higher Value Zone											
280 Greenfield Large -higher											
105 Greenfield Medium -higher 21 Greenfield Small - higher											

Figure 7-4 Viability results – 15% affordable housing and £500 per unit S.106 (Source: AspinallVerdi)

Affordable Housing & Section 106 Policy Contributions @ £4,500 per unit

- 7.29 The next layer of testing assumes the Council’s policy of 15% affordable housing is applied with the Section 106 /278 cost of £4,500 per unit. The £4,500 per unit Section 106 /278 cost comprises costs of £4,000 per unit to reflect education, leisure contributions and other potential costs such, as the Teesmouth and Cleveland Coast SPA mitigation measures, along with £500 basic Section 106 /278 cost.
- 7.30 Figure 7-4 shows that the higher value area can support this level of contribution with the potential for around a further £2,000 per unit Section 106 /278 cost, if required. In the standard zone development generally starts to become marginally viable. Again in this scenario development in the lower value area is unviable.

Scenario	Additional surplus per unit for policy contributions										
	£0	£500	£1,000	£1,500	£2,000	£2,500	£3,000	£3,500	£4,000	£4,500	£5,000
Lower Value Zone											
280 Greenfield Large -lower											
105 Brownfield Medium -lower 21 Brownfield Small - lower											
Standard Value Zone											
280 Greenfield Large -standard											
105 Greenfield Medium -standard											
21 Greenfield Small -standard											
105 Brownfield Medium -standard											
21 Brownfield Small -standard											
105 Brown/greenfield Medium -standard											
21 Brown/greenfield Small -standard											
Higher Value Zone											
280 Greenfield Large -higher											
105 Greenfield Medium -higher 21 Greenfield Small - higher											

Figure 7-5 Viability results – 15% affordable housing and £4,500 per unit S.106 (Source: AspinallVerdi)

Off-site Affordable Housing Contributions

7.31 The Council's October 2011 Affordable Housing Supplementary Planning Document (SPD) sets out the circumstances where the Council will accept off-site affordable contributions instead of on-site provision. Paragraph 5.23 of the SPD explains the calculation as follows:

'For the purposes of calculating commuted sums payable in lieu of affordable housing on-site, the sum shall be equal to the difference between the open market valuation of the affordable units which would have been provided on site and the purchase price that the RP would have been willing to pay for these units. For social rented units, RP purchase values are assumed to be equivalent to 40% of open market value and intermediate units RP purchase values are assumed to be equivalent to 60% of open market value.'

7.32 The Council's draft Affordable Housing Policy H4 states: *'For all housing developments of between 11 and 14 gross dwellings (inclusive), a financial contribution by way of a commuted sum, equivalent to a 15% on-site affordable housing contribution, will be expected.'*

7.33 As part of our assessment of we have considered the following methodologies to calculate off-site affordable housing contributions:

- Difference in Residual Land Value (RLV) between providing affordable housing on-site and zero affordable housing on-site.
- Difference in Gross Development Value (GDV) between providing affordable housing on-site and zero affordable housing on-site.
- London Borough of Richmond calculator.

7.34 We have tested a single scenario of 12 units across each of our three value zones and relevant brownfield and greenfield scenarios. The off-site affordable housing testing assumes a Section 106 /278 cost of £500 per unit is applied. In our off-site testing we have illustrated the calculation in the lower value zone but our testing has shown that the lower value zone is unviable with 15% affordable housing.

- 7.35 Table 7-4 shows that calculating the difference in GDV results in a difference per affordable unit for an off-site affordable housing contribution of £67,000 in the lower value zone, £85,000 in the standard value zone and £94,000 in the higher value zone.

Scenario		GDV with zero affordable housing	GDV with 15% affordable housing	Difference in GDV per affordable unit
Lower Value Zone				
12	Brownfield Small - lower	£1,530,000	£1,409,513	£66,938
Standard Value Zone				
12	Greenfield Small -standard	£1,938,000	£1,785,383	£84,788
12	Brownfield Small -standard	£1,938,000	£1,785,383	£84,788
12	Brown/greenfield Small -standard	£1,938,000	£1,785,383	£84,788
Higher Value Zone				
12	Greenfield Small - higher	£2,142,000	£1,973,318	£93,713
Table 7-4 Off-site affordable housing calculation difference in GDV (Source: AspinallVerdi)				

- 7.36 Table 7-5 shows the results of the alternative approach with affordable housing contribution calculated through the change in residual land value (RLV). The approach equates to an off-site affordable housing contribution per affordable unit of £36,500 in the lower value zone, £45,000 in the standard value zone and £49,000 in the higher value zone.

Scenario		RLV with 15% affordable housing	RLV with zero affordable housing	Difference in RLV per affordable unit
Lower Value Zone				
12	Brownfield Small - lower	-£49,849	£15,750	£36,444
Standard Value Zone				
12	Greenfield Small -standard	£246,482	£327,658	£45,098
12	Brownfield Small -standard	£222,768	£304,594	£45,459
12	Brown/greenfield Small -standard	£228,813	£308,294	£44,156
Higher Value Zone				
12	Greenfield Small - higher	£370,431	£459,211	£49,323
Table 7-5 Off-site affordable housing calculation difference in RLV (Source: AspinallVerdi)				

- 7.37 Appendix 6 shows the results of the London Borough of Richmond off-site affordable housing calculator applied to our assumptions on sale values and affordable housing values. The method assumes that the off-site contribution is the difference in cost of the market unit and the capital value of the affordable unit. The costs of the market unit are calculated as the market value of the unit minus profit, the balance is assumed to be the costs to build including fees and land value.
- 7.38 Table 7-6 shows that the commuted sum per affordable unit is £41,000 in the lower zone, £52,500 in the standard zone and £56,000 in the higher zone.

Scenario		Total commuted sum	Commuted sum per affordable unit
Lower Value Zone			
12	Brownfield Small - lower	£74,583	£41,435
Standard Value Zone			
12	Greenfield Small - standard	£94,515	£52,500
12	Brownfield Small - standard	£94,515	£52,500
12	Brown/greenfield Small -standard	£94,515	£52,500
Higher Value Zone			
12	Greenfield Small - higher	£101,496	£56,386
Table 7-6 Off-site affordable housing calculation difference in RLV (Source: AspinallVerdi)			

- 7.39 There is a general accepted principle that any off-site affordable housing cost should result in the scheme viability not being any, better or worse, than if the affordable housing were delivered on-site. Table 7-7 shows the impact on viability the different off-site affordable housing calculations has on scheme viability compared with an on-site provision. The results show that difference in GDV method over estimates the affordable housing costs, and renders the scheme unviable. The difference in the residual land value and the London Borough of Richmond methods retain scheme viability, with the London Borough of Richmond scheme surplus closely matching the surplus generated if the affordable housing is provided on-site.

Scenario		Viability surplus/deficit per ha - GDV approach	Viability surplus/deficit per ha - RLV approach	Viability surplus/deficit per ha - LB Richmond approach
Lower Value Zone				
12	Brownfield Small - lower	-£499,213	-£341,890	-£365,102
Standard Value Zone				
12	Greenfield Small -standard	-£13,546	£186,605	£149,757
12	Brownfield Small -standard	£17,021	£218,009	£180,324
12	Brown/greenfield Small -standard	-£21,841	£179,148	£141,462
Higher Value Zone				
12	Greenfield Small - higher	£56,765	£275,829	£241,752
Table 7-7 Impact on viability of using off-site affordable costs (Source: AspinallVerdi)				

7.40 Based on our assessment of off-site affordable contribution shows that lower value zone is unviable. Where development in other areas is viable at £52,500 per affordable unit or higher – this is based on the formula used by London Borough of Richmond in the standard zone area. The Council may wish to consider adopted a similar calculator for their off-site formula and assess individual developments on a scheme by scheme basis. Alternative the Council may wish to apply £52,500 per affordable unit as a fixed rate per unit, this can be indexed linked for inflation. For indexation, we would recommend the indexation to be the difference between the increase in Land Registry House Price Index and BCIS Tender Price Index this will ensure the increases/decreases in costs and values is reflected – the inflation calculation is expressed as follows:

Off-site inflation formula

Stage 1 calculate percentage increase in sale values

Land Registry HPI at date of planning permission *minus* Land Registry HPI at date of off-site affordable housing policy adopted

Divided

Land Registry HPI at date of off-site affordable housing policy adopted

Stage 2 calculate percentage increase in build costs

(BCIS TPI at date of planning permission *minus* BCIS TPI at date of off-site affordable housing policy adopted)

Divided

BCIS TPI at date of off-site affordable housing policy adopted

Stage 3 calculate net percentage difference

Stage 1 percentage difference in HPI minus Stage 2 percentage difference in BCIS TPI

8 Non-Residential Viability Testing Results

8.1 In this section we set out the assumptions used in our non-residential scenario testing and the results of this testing. Again, first of all, we set out our market analysis which has been used to inform the sale values, followed by our cost assumptions and then finally the results of our testing.

Office Market

8.2 Redcar and Cleveland Borough does not have a robust office market. Offices in the borough are mainly located in the town centres and exist to service small local business. With regards lettings, Table 8-1 summaries the prices achieved per sqm, there is almost no data for recent deals in Redcar and Cleveland. We have looked further afield to Middlesbrough to get a clearer picture of the market, however, all transactions are still for second hand properties. The deals listed vary significantly in size, and location so assessing a value for potential new build units in Redcar and Cleveland is difficult. Redcar and Cleveland rents are significantly lower than Middlesbrough's between £2.65 - £6.72 psf.

Date of transaction	Address	Size sqf	Price psf
Redcar and Cleveland			
15/06/2016	1st Floor, 79 High Street, Marske-by-the-Sea, Redcar, TS11 6JL	372	£6.72
01/04/2015	Ground, Hadrian House, 81 High Street, Eston, Middlesbrough, TS6 9EH	24,552	£2.65
13/03/2015	Unit 5, Margrove Park Business Park, Margrove Park, Boosbeck, Saltburn-by-the-Sea, TS12 3BZ	1,500	£6.00
15/06/2016	1st Floor, 79 High Street, Marske-by-the-Sea, Redcar, TS11 6JL	372	£6.72
Middlesbrough			
27/05/2015	Victoria House, 159 Albert Road, TS1 2PX	1,951	£10.25
15/01/2016	Cargo Fleet Business Centre, Middlesbrough Road, South Bank, TS6 6XH	926	£8.50
15/06/2016	Suite 201, Cleveland Business Centre, 1 Watson Street, TS1 2RQ	4,600	£10.00
01/07/2015	Ground (part) and 1st, North Ormesby Health Village, 15 Trinity Mews, North Ormesby, TS3 6AL	10,876	£7.62
Table 8-1 Comparison Office Rents (EGi – Comparable deals, accessed November 2016)			

- 8.3 Colliers interactive Office rents map quotes Grade A rents in Middlesbrough at £12 psf and Grade B £8 psf for 2016 so far - these have seen no increase year on year. Being a less active area, Redcar and Cleveland shall achieve lower rents than Middlesbrough.
- 8.4 There have not been many recent office investment transactions in the borough, therefore we have looked at a wider area. Even in the whole of Teesside there is little investment yield data available over the past 2 years. Of the two-transactions available neither are new builds. Both yields listed have a strong covenant with occupiers including a global engineering firm and the NHS. The site at Belasis Business park is larger, newer and in a dedicated employment area hence the lower yield. A site in Redcar and Cleveland would achieve higher yields than those listed in Table 8-2.

Location	Transaction Date	Occupier	Net Size sqf	Purchaser	Yield %
Belasis Business Park, Bylands Way, Belasis Hall Technology Park, Billingham, Cleveland, TS23 4EB	01/09/2015	Worley Parsons & Mowlem Engineering Projects	129,135	Hansteen Plc	8.43
Entire Building, Teesdale House, Westpoint Road, Thornaby, Stockton-on-Tees, Cleveland, TS17 6BL	29/06/2015	NHS	15,964	Ochani Investments	9.72

Table 8-2 Comparison Office Investment Sales and Yields (Source: EGi – Comparable deals, accessed November 2016)

Appraisal Assumptions

8.5 Set out below are our assumptions for the industrial appraisal.

- **Capital value**
 - Rent £129 psm (£12 psf) – market evidence set out in this chapter above.
 - Yield 8.5%, Knight Frank Yield Guide November 2016
 - Rent free 6 months
- **Unit size** – 500 sq m GIA / 588 sq m NIA
- **Gross to net site area** – 40% site coverage

- **Build costs** – BCIS median costs, re-based for Redcar & Cleveland, at £1,310 psm (evidence contained in Appendix 4)
- **External works:** – 15% of BCIS costs
- **Professional fees** - 8% of BCIS costs
- **Contingency** - 5% of BCIS costs
- **Letting Agents Costs** – 10% annual rent, industry standard assumption
- **Letting Legal Costs** – 5% annual rent, industry standard assumption
- **Investment Sale Agents Costs** – 1% of GDV, industry standard assumption
- **Investment Sale Legal Costs** – 0.5% of GDV, industry standard assumption
- **Marketing and Promotion**– 1% of GDV, industry standard assumption
- **Profit margin** - 20% of costs, typical return in the current market
- **Finance** – 7%,
- **Threshold land value** - £235,000 per hectare (£95,000 per acre), based on market evidence in Chapter 7.

Result of Viability Testing

- 8.6 As set out in our appraisal in Appendix 7, the result of our viability testing for office development shows that it is unviable. Our appraisal shows that based on our assumption there is a funding shortfall of around £3.4 million for office development in the borough.

Industrial Market

- 8.7 Nationally, the industrial market has been performing well due to strong occupier demand for retailers and third party distribution companies (3PLs) created with the growth in online retailing. These types of occupiers have been seeking storage and distribution units of 9,300 sqm plus. These occupiers have been seeking sites with good motorway access to allow for easy distribution of goods.
- 8.8 Redcar and Cleveland has a long history of heavy industry specifically in the steel and petrochemical sectors. Even with the dip in oil price the industrial property market has remained steady due to the lack of quality employment land sites.²⁴ The ELR updated in 2016 recognised that the existing level of available space for industrial usage is unlikely to satisfy the demand in

²⁴ Dodds Brown (2016) *Teesside commercial property market outlook*

coming years. However, policy proposed to safeguard existing heavy industry sites, further reducing potential space for distribution or specialist industries.

- 8.9 Due to the lack of new build industrial development in the borough there is a limited new build rental evidence. We have therefore looked at second hand units in wider area. Table 1 4 shows results are mixed with smaller spaces in Redcar and Cleveland achieving around £4.00 - £4.50 psf. Though not in the area the unit at Brighthouse Business Village is part of a scheme which has recently been refurbished, giving an indication of the price newbuild industrial spaces may achieve.

Date of transaction	Address	Size sqf	Price psf
19/08/2016	Industrial Units, Wilkinson Street, Lingdale, Saltburn-By-The-Sea, Cleveland, TS12 3EU	512	£6.25
15/06/2016	Industrial Unit, Longlands Road, Middlesbrough, Cleveland, TS3 8DR	21,097	£2.94
13/06/2016	Lotus House, Sotherby Road, South Bank, Middlesbrough, Cleveland, TS6 6LP	5,790	£4.32
15/12/2015	Unit 2, Skippers Lane Industrial Estate, Murdock Road, Middlesbrough, North Yorkshire, TS6 6EZ	1,725	£4.07
15/12/2015	Unit 7, Skippers Lane Industrial Estate, Murdock Road, Middlesbrough, North Yorkshire, TS6 6EZ	1,725	£4.07
15/10/2015	Unit 6, Skippers Lane Industrial Estate, Murdock Road, Middlesbrough, North Yorkshire, TS6 6EZ	1,725	£4.52
01/07/2015	Unit 5, Skippers Lane Industrial Estate, Murdock Road, Middlesbrough, North Yorkshire, TS6 6EZ	1,722	£4.53
04/08/2016	Unit 4D, Brighthouse Business Village, Brighthouse Road, Middlesbrough, Cleveland, TS2 1RT	1,604	£4.67
Table 8-3 Comparison Industrial Rents (Source: EGi – Comparable deals, accessed November 2016)			

- 8.10 Colliers interactive industrial rents map quotes prime rents in Middlesbrough at £4 psf and secondary as £3 psf for H2 2016. Secondary is described as 1990s industrial units; this is the predominant stock in Redcar and Cleveland. Colliers report rents have not changed in the last 6 months. Redcar and Cleveland would see similar rents as Middlesbrough.
- 8.11 With industrial investment sales, we have also considered a wider area due to the lack of activity in the borough. Evidence in Table 8-4 shows that new build B2 units can will achieve a yield of 4.2%. For more general B1 -B8 second hand uses units are achieving 8.25% - 10.5% yields.

Location	Sub Use Type	Transaction Date	Net Size sqf	Purchaser	Yield %
Raleigh Court, Riverside Park, Raleigh Court, Middlesbrough, Cleveland, TS2 1RR	Mixed Industrial - B1, B2, B8 (B1/2/8)	27/09/2016	111,999	Leven Estates	8.25
Bolckow Road Industrial Estate - Bessemer Court, Pochin Road, Grangetown, Middlesbrough, TS6 7EB	Industrial Park (B1/2/8)	15/03/2016	24,000		10.00
Park View Industrial Estate, Brenda Road, Hartlepool, Cleveland, TS25 2BW	Industrial Park (B1/2/8)	15/01/2016	190,971	South Street Capital	10.50
Unit 2, North Tees Industrial Estate, Teesway, Stockton-on-Tees, Cleveland, TS18 2RS	Mixed Industrial - B1, B2, B8 (B1/2/8)	10/11/2015	7,168		8.38
Entire Building, Tees Valley, 2 Huntsman Drive, Port Clarence, Middlesbrough, TS2 1UE	General Industrial (B2)	01/04/2015		L&G Resources Ltd	4.20
The Facilities Centre, 1-4 Sotherby Road, Middlesbrough, TS3 8BS	Mixed Industrial - B1, B2, B8 (B1/2/8)	15/12/2014	29,100		8.87

Table 8-4 Comparison Industrial Investment Sales and Yields (EGi – Comparable deals, accessed November 2016)

Appraisal Assumptions

8.12 The majority of the assumptions used in the office viability testing mirror that of the industrial, where the industrial assumptions differ from the office testing these are set out as follows:

- **Capital value**
 - Rent £48 psm (£4.50 psf) – market evidence set out in above
 - Yield 6.5%, Knight Frank Yield Guide November 2016
 - Rent free 6 months
- **Unit size** – 2,300 sq m GIA
- **Build costs** – BCIS median costs, re-based for Redcar & Cleveland, at £604 psm (evidence contained in Appendix 4)

Result of Viability Testing

8.13 As set out in our appraisal in Appendix 8, the result of our viability testing for office development shows that it is unviable. Our appraisal shows that based on our assumption there is a funding shortfall of around £817,000 for industrial development in the borough.

9 Conclusion

Introduction

- 9.1 This study has provided an update to the PBA 2013 WPVT study. In our assessment we have reviewed changes to policy and guidance, methodology, policy costs, market conditions and viability since the PBA 2013 WPVT study.

PBA 2013 WPVT Study Findings

- 9.2 The 2013 PBA WPVT study found that the sites in the housing trajectory, at the time, were generally viably deliverable. With sites in the low value area generally viable without affordable housing charges, and sites in the standard value area viable with 15% affordable housing.

AspinallVerdi Update Study Findings

- 9.3 Our viability assessment has shown that residential market has changed since the 2013 PBA WPVT. Viability in the lower value has worsened but viability in other areas has improved to the extent to warrant analyses of a higher value zone.
- 9.4 Our viability assessment has shown that development in the lower value area is unviable with no policy costs. This should not be considered a significant issue for delivery of the plan because there is no single significant site in the lower value area which is dependent on the plan delivery. And the site mitigation measure requirements for the Teesmouth and Cleveland Coast SPA does not fall in the lower value zone.
- 9.5 Our viability assessment has shown that sites in the standard value and higher value zones, where the bulk of development is identified during the plan period, are viable. Our standard zone area shows that the sites are viable with 15% affordable housing and the £500 basic Section 106/278 cost. In addition, some scenarios are showing additional surplus which can be used to fund education and leisure contributions – these additional contributions will need to be negotiated on a site by site basis and subject to individual site requirements. Our higher value zone shows that development is viable with 15% affordable housing and the £500 per unit site basic Section 106/278 cost and £4,000 per unit higher Section 106/278 cost. Once more this needs to be assessed on a site by site basis.
- 9.6 Our analysis has shown that based on current policy requirements and site allocations for residential sites, RCBC has struck an appropriate balance *'between the policy requirements necessary to provide for sustainable development and the realities of economic viability.'*²⁵

²⁵ Harman (June 2012) *Viability Testing of Local Plans: Advice for planning practitioners* Page. 10

- 9.7 Based on our assessment of off-site affordable contribution shows that lower value zone is unviable. Where development in other areas is viable at £52,500 per affordable unit or higher. This can be captured through a calculator based on individual sites or as fixed rate per affordable unit indexed linked for inflation. A suitable calculator is that used by the London Borough of Richmond which calculates the off-site contribution as the difference in cost of the market unit and the capital value of the affordable unit. The costs of the market unit are calculated as the market value of the unit minus profit, the balance is assumed to be the costs to build including fees and land value. If a fixed rate per affordable unit is used, we would recommend inflation calculated as the difference between Land Registry House Price Index and BCIS Tender Price Index.
- 9.8 Our non-residential testing has shown that there is not scope for policy contributions on office or industrial development because these forms of development are unviable.

Appendix 1 – Site Allocation Analysis

Policy Ref	SHLAA ID	Site	Location	Size	Dwelling estimate	by 2032	after 2032	density	developable area	planning permison (march 2016)	Identified in 2013	Land Status	0-5 year delivery
H3.15	103	Roseberry Road	Redcar	0.2	10	10	0	50		y	n	brownfield	
H3.24	405	Stranghow Road	Skelton	0.33	10	10	0	30		n	y	brownfield	
H3.28		Former Handale Primary School	Loftus		10	10	0					brownfield	
H3.3	393	Gypsy Lane	Nunthorpe	0.43	10	10	0	23		y	y	greenfield	y
H3.14	420	Grosmont Close	Redcar	0.15	12	12	0	80		y	n	brownfield	
H3.19	136	Wilton Lane	Guisboro'	0.3	14	14	0	47	90%	y	y	brownfield	
H3.26	411	Newbury Road	Brotton	0.7	25	25	0	36		y	n	brownfield	y
H3.7	316	Normanby Hall	Nunthorpe	3.6	25	25	0	7	25%	n	y	greenfield	
H3.11	213	St. Hilda's Church	Redcar	0.9	30	30	0	33	75%	n	y	brown/greenfield	
H3.12	387	Land Adj. Ryehills School	Redcar	1.23	30	30	0	24	75%	n	y	brownfield	
H3.4	407	Morton Carr Lane	Nunthorpe	4.3	30	30	0	7		n	y	greenfield	
H3.13	413	Wykeham Close	Redcar	0.3	35	35	0	117		y	n	brownfield	
H3.20	376	Park Lane	Guisboro'	0.5	40	40	0	80		n	y	brownfield	
H3.29	44	Low Cragg Hall Farm	Carlin How	2	46	46	0	23		y	y	greenfield	
H3.23	409	Home Farm	Skelton	1.6	47	47	0	29	90%	y	n	brownfield	y
H3.22	400	Land NE of Galley Hill Estate	Guisboro'	4.1	50	50	0	12		n	n	greenfield	
H3.6	18	Spencerbeck Farm	Ormesby	2.4	61	61	0	25		y	y	brownfield	y
H3.30		Abattoir Site and Adjacent Land	Boosbeck	2.9	70	70	0	24				brownfield	
H3.10	206	Corporation Road	Redcar	2.4	86	86	0	36	75%	n	y	brownfield	
H3.16	451	Land at Mickle Dales	Redcar	4.3	100	100	0	23		n	n	greenfield	
H3.27	360	Rosecroft School	Loftus	1.7	100	100	0	59		n	y	greenfield	
H3.9	452	Former Eston Park School	Eston Grange	3	100	100	0	33		n	n	brownfield	
H3.18	77	Marske Road	Saltburn	6.3	116	116	0	18		y	n	greenfield	y
H3.2	24	Swan's Corner	Nunthorpe	7.65	128	128	0	17	75%	n	y	greenfield	y
H3.21	320	Cleveland Gate	Guisboro'	4.9	135	135	0	28		n	n	greenfield	y
H3.8	419	South of High Farm	Normanby	10	150	150	0	15		n	y	greenfield	
H3.25	43/92	Kilton Lane / Kilton Hall Farm	Brotton	12	270	270	0	23	50%	n	y	greenfield	
H3.5	294	Longbank Farm	Ormesby	21.2	320	320	0	15	50%	y	y	greenfield	y
H3.17	450	West of Kirkleatham Lane	Redcar	23	550	550	0	24		n	n	greenfield	
H3.1	135	Low Grange Farm Strategic Site	South Bank	32	1250	200	1050	39		y	y	brown/greenfield	

Appendix 2 – Sale Value Analysis

price_paid	Size	price per sqm	deed_date	postcode	Zone	no.	street	town
£132,995	75	£1,773	16/02/2015	TS10 1NX	TS10 1	21	WAVENEY ROAD	REDCAR
£151,996	97	£1,567	20/03/2015	TS10 1NZ	TS10 1	1	TAMAR MEWS	REDCAR
£119,995	71	£1,690	22/01/2015	TS10 1NZ	TS10 1	12	TAMAR MEWS	REDCAR
£159,995	102	£1,569	17/04/2015	TS10 1NZ	TS10 1	6	TAMAR MEWS	REDCAR
£199,950	155	£1,290	18/12/2015	TS10 2GW	TS10 2	10	PRINCIPAL ROAD	REDCAR
£268,950			27/11/2015	TS10 2GW	TS10 2	11	PRINCIPAL ROAD	REDCAR
£199,950			18/12/2015	TS10 2GW	TS10 2	12	PRINCIPAL ROAD	REDCAR
£229,950			17/12/2015	TS10 2GW	TS10 2	14	PRINCIPAL ROAD	REDCAR
£199,950			11/12/2015	TS10 2GW	TS10 2	16	PRINCIPAL ROAD	REDCAR
£229,950			14/12/2015	TS10 2GW	TS10 2	18	PRINCIPAL ROAD	REDCAR
£229,950	114	£2,017	04/12/2015	TS10 2GW	TS10 2	20	PRINCIPAL ROAD	REDCAR
£179,950	89	£2,022	26/06/2015	TS10 2GW	TS10 2	22	PRINCIPAL ROAD	REDCAR
£234,950	117	£2,008	21/09/2015	TS10 2GW	TS10 2	23	PRINCIPAL ROAD	REDCAR
£229,950	114	£2,017	29/05/2015	TS10 2GW	TS10 2	24	PRINCIPAL ROAD	REDCAR
£199,950	99	£2,020	27/03/2015	TS10 2GW	TS10 2	25	PRINCIPAL ROAD	REDCAR
£190,000	99	£1,919	31/07/2015	TS10 2GW	TS10 2	26	PRINCIPAL ROAD	REDCAR
£199,950	99	£2,020	27/03/2015	TS10 2GW	TS10 2	27	PRINCIPAL ROAD	REDCAR
£190,000	99	£1,919	26/06/2015	TS10 2GW	TS10 2	28	PRINCIPAL ROAD	REDCAR
£269,950	155	£1,742	27/03/2015	TS10 2GW	TS10 2	30	PRINCIPAL ROAD	REDCAR
£239,950	125	£1,920	19/06/2015	TS10 2GW	TS10 2	32	PRINCIPAL ROAD	REDCAR
£242,950	125	£1,944	26/11/2015	TS10 2GW	TS10 2	34	PRINCIPAL ROAD	REDCAR
£234,950	117	£2,008	24/04/2015	TS10 2GW	TS10 2	36	PRINCIPAL ROAD	REDCAR
£199,950	99	£2,020	26/06/2015	TS10 2GX	TS10 2	10	ALDERMAN CLOSE	REDCAR
£239,950	125	£1,920	12/06/2015	TS10 2GX	TS10 2	12	ALDERMAN CLOSE	REDCAR
£199,950	99	£2,020	21/08/2015	TS10 2GX	TS10 2	14	ALDERMAN CLOSE	REDCAR
£194,950			27/03/2015	TS10 2GX	TS10 2	5	ALDERMAN CLOSE	REDCAR
£259,950	155	£1,677	18/12/2015	TS10 2GY	TS10 2	10	FOUNDATION CLOSE	REDCAR
£115,995	79	£1,468	29/05/2015	TS10 4BH	TS10 4	100	WESTMORLAND ROAD	REDCAR
£115,995	79	£1,468	29/05/2015	TS10 4BH	TS10 4	102	WESTMORLAND ROAD	REDCAR
£98,995	62	£1,597	29/05/2015	TS10 4BH	TS10 4	104	WESTMORLAND ROAD	REDCAR
£96,995	62	£1,564	29/05/2015	TS10 4BH	TS10 4	106	WESTMORLAND ROAD	REDCAR
£98,995	62	£1,597	01/05/2015	TS10 4BH	TS10 4	108	WESTMORLAND ROAD	REDCAR
£115,995	79	£1,468	11/05/2015	TS10 4BH	TS10 4	110	WESTMORLAND ROAD	REDCAR
£111,995	78	£1,436	24/04/2015	TS10 4BH	TS10 4	114	WESTMORLAND ROAD	REDCAR
£115,995	79	£1,468	29/05/2015	TS10 4BH	TS10 4	98	WESTMORLAND ROAD	REDCAR
£115,995	79	£1,468	05/06/2015	TS10 4BU	TS10 4	112	WESTMORLAND ROAD	REDCAR
£119,995	79	£1,519	20/03/2015	TS10 4EA	TS10 4	12	ROSEBERRY ROAD	REDCAR
£115,995	79	£1,468	26/03/2015	TS10 4EA	TS10 4	14	ROSEBERRY ROAD	REDCAR
£134,995	98	£1,378	20/03/2015	TS10 4EA	TS10 4	20	ROSEBERRY ROAD	REDCAR
£96,995	62	£1,564	27/02/2015	TS10 4EA	TS10 4	22	ROSEBERRY ROAD	REDCAR
£107,995	71	£1,521	27/02/2015	TS10 4EA	TS10 4	24	ROSEBERRY ROAD	REDCAR
£134,546	92	£1,462	16/03/2015	TS10 4EA	TS10 4	32	ROSEBERRY ROAD	REDCAR
£95,995	62	£1,548	27/02/2015	TS10 4EA	TS10 4	34	ROSEBERRY ROAD	REDCAR
£134,995	98	£1,378	08/04/2015	TS10 4EA	TS10 4	36	ROSEBERRY ROAD	REDCAR
£111,995	78	£1,436	28/08/2015	TS10 4EA	TS10 4	42	ROSEBERRY ROAD	REDCAR
£128,245	81	£1,583	30/04/2015	TS10 4FE	TS10 4	1	HOPGILL WALK	REDCAR
£134,995	98	£1,378	10/04/2015	TS10 4FE	TS10 4	2	HOPGILL WALK	REDCAR
£105,995	71	£1,493	13/02/2015	TS10 4FE	TS10 4	3	HOPGILL WALK	REDCAR
£95,995	62	£1,548	13/02/2015	TS10 4FE	TS10 4	4	HOPGILL WALK	REDCAR
£105,995	71	£1,493	09/02/2015	TS10 4FE	TS10 4	5	HOPGILL WALK	REDCAR
£134,995	98	£1,378	27/02/2015	TS10 4FE	TS10 4	6	HOPGILL WALK	REDCAR
£134,995	81	£1,667	13/03/2015	TS10 4FE	TS10 4	7	HOPGILL WALK	REDCAR
£111,995	78	£1,436	14/08/2015	TS10 4FG	TS10 4	2	CROSBY WAY	REDCAR
£134,995	81	£1,667	23/02/2015	TS10 4FG	TS10 4	3	CROSBY WAY	REDCAR
£134,995	98	£1,378	27/05/2016	TS10 4FJ	TS10 4	52	GOLDRILL GARDENS	REDCAR
£115,995	79	£1,468	26/02/2016	TS10 4FJ	TS10 4	54	GOLDRILL GARDENS	REDCAR
£129,995	98	£1,326	26/02/2016	TS10 4FJ	TS10 4	58	GOLDRILL GARDENS	REDCAR
£174,995	108	£1,620	29/01/2016	TS10 4FJ	TS10 4	64	GOLDRILL GARDENS	REDCAR
£174,995	108	£1,620	31/03/2016	TS10 4FJ	TS10 4	66	GOLDRILL GARDENS	REDCAR
£111,995	78	£1,436	26/02/2016	TS10 4FJ	TS10 4	68	GOLDRILL GARDENS	REDCAR
£109,995	71	£1,549	30/06/2015	TS10 4FJ	TS10 4	70	GOLDRILL GARDENS	REDCAR
£96,995	62	£1,564	26/06/2015	TS10 4FJ	TS10 4	72	GOLDRILL GARDENS	REDCAR
£96,995	62	£1,564	24/07/2015	TS10 4FJ	TS10 4	74	GOLDRILL GARDENS	REDCAR
£109,995	71	£1,549	29/05/2015	TS10 4FJ	TS10 4	76	GOLDRILL GARDENS	REDCAR
£115,995	79	£1,468	29/06/2015	TS10 4FJ	TS10 4	78	GOLDRILL GARDENS	REDCAR
£139,995	79	£1,772	22/01/2016	TS10 4FL	TS10 4	1	SOUTHERNDALE ROAD	REDCAR
£129,995	98	£1,326	27/11/2015	TS10 4FL	TS10 4	10	SOUTHERNDALE ROAD	REDCAR
£96,995	62	£1,564	27/11/2015	TS10 4FL	TS10 4	12	SOUTHERNDALE ROAD	REDCAR
£109,995	71	£1,549	20/11/2015	TS10 4FL	TS10 4	14	SOUTHERNDALE ROAD	REDCAR
£129,995	98	£1,326	30/10/2015	TS10 4FL	TS10 4	20	SOUTHERNDALE ROAD	REDCAR
£109,995	71	£1,549	08/09/2015	TS10 4FL	TS10 4	22	SOUTHERNDALE ROAD	REDCAR
£96,995	62	£1,564	28/08/2015	TS10 4FL	TS10 4	24	SOUTHERNDALE ROAD	REDCAR
£96,995	62	£1,564	14/08/2015	TS10 4FL	TS10 4	26	SOUTHERNDALE ROAD	REDCAR
£134,995	98	£1,378	13/08/2015	TS10 4FL	TS10 4	28	SOUTHERNDALE ROAD	REDCAR
£98,995	62	£1,597	15/01/2016	TS10 4FL	TS10 4	3	SOUTHERNDALE ROAD	REDCAR

£96,995	62	£1,564	23/07/2015	TS10 4FL	TS10 4	34	SOUTHERNDALE ROAD	REDCAR
£134,995	98	£1,378	30/06/2015	TS10 4FL	TS10 4	36	SOUTHERNDALE ROAD	REDCAR
£132,995	98	£1,357	24/03/2016	TS10 4FL	TS10 4	4	SOUTHERNDALE ROAD	REDCAR
£98,995	62	£1,597	17/12/2015	TS10 4FL	TS10 4	5	SOUTHERNDALE ROAD	REDCAR
£96,995	62	£1,564	24/03/2016	TS10 4FL	TS10 4	6	SOUTHERNDALE ROAD	REDCAR
£111,995	78	£1,436	14/12/2015	TS10 4FL	TS10 4	7	SOUTHERNDALE ROAD	REDCAR
£262,500	170	£1,544	28/08/2015	TS11 7AY	TS11 7	1	THE WILLOWS	REDCAR
£207,950	135	£1,540	12/11/2015	TS11 7AY	TS11 7	11	THE WILLOWS	REDCAR
£207,950	135	£1,540	27/05/2016	TS11 7AY	TS11 7	12	THE WILLOWS	REDCAR
£197,000	138	£1,428	25/08/2015	TS11 7AY	TS11 7	2	THE WILLOWS	REDCAR
£244,950	170	£1,441	15/09/2015	TS11 7AY	TS11 7	3	THE WILLOWS	REDCAR
£242,950	152	£1,598	20/11/2015	TS11 7AY	TS11 7	4	THE WILLOWS	REDCAR
£207,950	138	£1,507	22/10/2015	TS11 7AY	TS11 7	5	THE WILLOWS	REDCAR
£239,950	152	£1,579	09/10/2015	TS11 7AY	TS11 7	6	THE WILLOWS	REDCAR
£249,950	170	£1,470	26/11/2015	TS11 7AY	TS11 7	7	THE WILLOWS	REDCAR
£205,000	154	£1,331	02/12/2015	TS11 7AY	TS11 7	8	THE WILLOWS	REDCAR
£259,950	170	£1,529	11/03/2016	TS11 7AY	TS11 7	9	THE WILLOWS	REDCAR
£318,500			10/06/2015	TS11 7LB	TS11 7	1	MURTON PARK COURT	REDCAR
£110,000	102	£1,078	06/05/2015	TS12 2DA	TS12 2	4	ST PETERS MEWS	SALTBURN-BY-THE-SEA
£154,995	109	£1,422	06/02/2015	TS12 2EP	TS12 2	11	HYLTON AVENUE	SALTBURN-BY-THE-SEA
£159,995			16/01/2015	TS12 2EP	TS12 2	15	HYLTON AVENUE	SALTBURN-BY-THE-SEA
£165,995			16/01/2015	TS12 2EP	TS12 2	17	HYLTON AVENUE	SALTBURN-BY-THE-SEA
£179,995			30/04/2015	TS12 2EP	TS12 2	19	HYLTON AVENUE	SALTBURN-BY-THE-SEA
£179,995			30/06/2015	TS12 2EP	TS12 2	9	HYLTON AVENUE	SALTBURN-BY-THE-SEA
£219,995	133	£1,654	24/04/2015	TS12 2GG	TS12 2	3	ETAL WALK	SALTBURN-BY-THE-SEA
£215,995	110	£1,964	09/01/2015	TS12 2GJ	TS12 2	16	CHILLINGHAM ROAD	SALTBURN-BY-THE-SEA
£157,000	104	£1,510	19/02/2016	TS12 2GL	TS12 2	3	RIPLEY CLOSE	SALTBURN-BY-THE-SEA
£170,000	104	£1,635	28/09/2015	TS12 2GL	TS12 2	4	RIPLEY CLOSE	SALTBURN-BY-THE-SEA
£171,995	104	£1,654	17/07/2015	TS12 2GL	TS12 2	5	RIPLEY CLOSE	SALTBURN-BY-THE-SEA
£179,995	104	£1,731	26/06/2015	TS12 2GL	TS12 2	6	RIPLEY CLOSE	SALTBURN-BY-THE-SEA
£197,950	107	£1,850	25/09/2015	TS12 2WH	TS12 2	15	KENTMERE AVENUE	SALTBURN-BY-THE-SEA
£197,950	107	£1,850	27/11/2015	TS12 2WH	TS12 2	17	KENTMERE AVENUE	SALTBURN-BY-THE-SEA
£226,950	134	£1,694	21/08/2015	TS12 2WH	TS12 2	18	KENTMERE AVENUE	SALTBURN-BY-THE-SEA
£199,950	105	£1,904	21/08/2015	TS12 2WH	TS12 2	20	KENTMERE AVENUE	SALTBURN-BY-THE-SEA
£219,950	122	£1,803	24/07/2015	TS12 2WH	TS12 2	22	KENTMERE AVENUE	SALTBURN-BY-THE-SEA
£224,995	134	£1,679	06/02/2015	TS12 2WJ	TS12 2	29	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£199,950	118	£1,694	13/04/2015	TS12 2WJ	TS12 2	31	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£229,950	125	£1,840	20/02/2015	TS12 2WJ	TS12 2	33	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£224,950	134	£1,679	29/05/2015	TS12 2WJ	TS12 2	35	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£187,950	107	£1,757	21/08/2015	TS12 2WJ	TS12 2	37	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£197,950	107	£1,850	23/01/2015	TS12 2WJ	TS12 2	38	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£214,950	118	£1,822	23/01/2015	TS12 2WJ	TS12 2	42	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£224,950	134	£1,679	30/01/2015	TS12 2WJ	TS12 2	52	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£199,995	122	£1,639	05/03/2015	TS12 2WJ	TS12 2	54	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£197,950	105	£1,885	20/02/2015	TS12 2WJ	TS12 2	62	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£200,000	134	£1,493	27/03/2015	TS12 2WJ	TS12 2	64	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£199,950	118	£1,694	17/07/2015	TS12 2WJ	TS12 2	68	ROSTHWAITE DRIVE	SALTBURN-BY-THE-SEA
£219,950	122	£1,803	18/03/2016	TS12 2ZN	TS12 2	11	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£232,950	125	£1,864	24/03/2016	TS12 2ZN	TS12 2	12	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£176,950	88	£2,011	15/04/2016	TS12 2ZN	TS12 2	14	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£144,950	79	£1,835	20/11/2015	TS12 2ZN	TS12 2	2	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£144,950	79	£1,835	24/03/2016	TS12 2ZN	TS12 2	20	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£144,950	79	£1,835	24/03/2016	TS12 2ZN	TS12 2	22	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£229,950	118	£1,949	14/01/2016	TS12 2ZN	TS12 2	23	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£197,950	104	£1,903	23/10/2015	TS12 2ZN	TS12 2	24	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£226,950	134	£1,694	18/09/2015	TS12 2ZN	TS12 2	25	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£169,950	88	£1,931	18/09/2015	TS12 2ZN	TS12 2	26	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£144,950	79	£1,835	27/11/2015	TS12 2ZN	TS12 2	3	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£214,950	114	£1,886	27/11/2015	TS12 2ZN	TS12 2	4	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£232,950	125	£1,864	04/12/2015	TS12 2ZN	TS12 2	5	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£219,950	122	£1,803	29/01/2016	TS12 2ZN	TS12 2	6	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£199,950	105	£1,904	24/03/2016	TS12 2ZN	TS12 2	8	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£226,950	134	£1,694	29/01/2016	TS12 2ZN	TS12 2	9	CASTLERIGG CLOSE	SALTBURN-BY-THE-SEA
£187,950	105	£1,790	29/05/2015	TS12 2ZP	TS12 2	1	CROSTHWAITE GARDENS	SALTBURN-BY-THE-SEA
£220,950	134	£1,649	12/06/2015	TS12 2ZP	TS12 2	2	CROSTHWAITE GARDENS	SALTBURN-BY-THE-SEA
£142,950	79	£1,809	12/06/2015	TS12 2ZP	TS12 2	3	CROSTHWAITE GARDENS	SALTBURN-BY-THE-SEA
£187,950	105	£1,790	21/08/2015	TS12 2ZP	TS12 2	4	CROSTHWAITE GARDENS	SALTBURN-BY-THE-SEA
£136,950	79	£1,734	12/06/2015	TS12 2ZP	TS12 2	5	CROSTHWAITE GARDENS	SALTBURN-BY-THE-SEA
£224,995	125	£1,800	15/05/2015	TS12 2ZP	TS12 2	6	CROSTHWAITE GARDENS	SALTBURN-BY-THE-SEA
£142,950	79	£1,809	26/06/2015	TS12 2ZP	TS12 2	7	CROSTHWAITE GARDENS	SALTBURN-BY-THE-SEA
£447,000	233	£1,918	26/03/2015	TS13 4UX	TS13 4		FIELD HOUSE	SALTBURN-BY-THE-SEA
£117,500			22/12/2015	TS14 6BF	TS14 6	WEST	THE COPSE	GUISBOROUGH
£167,999	52	£3,231	31/03/2016	TS14 6DY	TS14 6	11	BECKSIDE GARDENS	GUISBOROUGH
£164,999	52	£3,173	22/04/2016	TS14 6DY	TS14 6	25	BECKSIDE GARDENS	GUISBOROUGH
£169,999	58	£2,931	13/05/2016	TS14 6DY	TS14 6	28	BECKSIDE GARDENS	GUISBOROUGH
£249,999	90	£2,778	31/03/2016	TS14 6DY	TS14 6	40	BECKSIDE GARDENS	GUISBOROUGH

£264,999	78	£3,397	31/03/2016	TS14 6DY	TS14 6	6	BECKSIDE GARDENS	GUISBOROUGH
£169,950	94	£1,808	26/03/2015	TS14 6NY	TS14 6	1	MAPLE GARDENS	GUISBOROUGH
£159,950	91	£1,758	13/03/2015	TS14 6NY	TS14 6	11	MAPLE GARDENS	GUISBOROUGH
£159,950	94	£1,702	06/03/2015	TS14 6NY	TS14 6	12	MAPLE GARDENS	GUISBOROUGH
£159,950	91	£1,758	13/02/2015	TS14 6NY	TS14 6	14	MAPLE GARDENS	GUISBOROUGH
£159,950	91	£1,758	27/03/2015	TS14 6NY	TS14 6	15	MAPLE GARDENS	GUISBOROUGH
£159,950	91	£1,758	28/08/2015	TS14 6NY	TS14 6	2	MAPLE GARDENS	GUISBOROUGH
£159,950	91	£1,758	06/02/2015	TS14 6NY	TS14 6	20	MAPLE GARDENS	GUISBOROUGH
£159,950	91	£1,758	27/03/2015	TS14 6NY	TS14 6	21	MAPLE GARDENS	GUISBOROUGH
£159,950	91	£1,758	27/03/2015	TS14 6NY	TS14 6	22	MAPLE GARDENS	GUISBOROUGH
£173,950	94	£1,851	24/04/2015	TS14 6NY	TS14 6	23	MAPLE GARDENS	GUISBOROUGH
£159,950	91	£1,758	28/08/2015	TS14 6NY	TS14 6	3	MAPLE GARDENS	GUISBOROUGH
£150,000	91	£1,648	27/11/2015	TS14 6NY	TS14 6	4	MAPLE GARDENS	GUISBOROUGH
£159,950	91	£1,758	18/09/2015	TS14 6NY	TS14 6	5	MAPLE GARDENS	GUISBOROUGH
£159,950	91	£1,758	26/02/2015	TS14 6NY	TS14 6	7	MAPLE GARDENS	GUISBOROUGH
£127,000	79	£1,608	24/07/2015	TS14 6NY	TS14 6	8	MAPLE GARDENS	GUISBOROUGH
£179,950	79	£2,278	29/10/2015	TS14 7BF	TS14 7	1	HUNTERS PLACE	GUISBOROUGH
£179,950	79	£2,278	26/02/2016	TS14 7BF	TS14 7	2	HUNTERS PLACE	GUISBOROUGH
£144,950	85	£1,705	18/12/2015	TS14 7BF	TS14 7	25	HUNTERS PLACE	GUISBOROUGH
£139,950	85	£1,646	29/01/2016	TS14 7BF	TS14 7	26	HUNTERS PLACE	GUISBOROUGH
£149,950	69	£2,173	25/11/2015	TS14 7BF	TS14 7	27	HUNTERS PLACE	GUISBOROUGH
£234,950	100	£2,350	16/10/2015	TS14 7BF	TS14 7	3	HUNTERS PLACE	GUISBOROUGH
£225,000	100	£2,250	22/10/2015	TS14 7BF	TS14 7	31	HUNTERS PLACE	GUISBOROUGH
£154,950	85	£1,823	27/11/2015	TS14 7BF	TS14 7	32	HUNTERS PLACE	GUISBOROUGH
£149,950	85	£1,764	18/12/2015	TS14 7BF	TS14 7	33	HUNTERS PLACE	GUISBOROUGH
£225,000	100	£2,250	30/10/2015	TS14 7BF	TS14 7	34	HUNTERS PLACE	GUISBOROUGH
£245,000	112	£2,188	04/11/2015	TS14 7BF	TS14 7	35	HUNTERS PLACE	GUISBOROUGH
£155,000	85	£1,824	22/12/2015	TS14 7BF	TS14 7	36	HUNTERS PLACE	GUISBOROUGH
£178,950	79	£2,265	30/10/2015	TS14 7BF	TS14 7	38	HUNTERS PLACE	GUISBOROUGH
£179,950	79	£2,278	31/03/2016	TS14 7BF	TS14 7	39	HUNTERS PLACE	GUISBOROUGH
£184,950	79	£2,341	19/02/2016	TS14 7BF	TS14 7	8	HUNTERS PLACE	GUISBOROUGH
£249,950	113	£2,212	31/03/2016	TS14 7BF	TS14 7	9	HUNTERS PLACE	GUISBOROUGH
£214,995	110	£1,955	03/06/2016	TS14 7NN	TS14 7	4	FOUNDRY WAY	GUISBOROUGH
£204,995	88	£2,329	11/07/2016	TS14 7NN	TS14 7	7	FOUNDRY WAY	GUISBOROUGH
£184,995	88	£2,102	02/06/2016	TS14 7NN	TS14 7	8	FOUNDRY WAY	GUISBOROUGH
£187,995	83	£2,265	30/07/2015	TS14 7NP	TS14 7	10	PROVIDENCE DRIVE	GUISBOROUGH
£192,995	83	£2,325	30/07/2015	TS14 7NP	TS14 7	12	PROVIDENCE DRIVE	GUISBOROUGH
£264,995	125	£2,120	18/09/2015	TS14 7NP	TS14 7	14	PROVIDENCE DRIVE	GUISBOROUGH
£184,995	88	£2,102	30/07/2015	TS14 7NP	TS14 7	15	PROVIDENCE DRIVE	GUISBOROUGH
£202,995	88	£2,307	09/10/2015	TS14 7NP	TS14 7	16	PROVIDENCE DRIVE	GUISBOROUGH
£264,995	126	£2,103	30/11/2015	TS14 7NP	TS14 7	18	PROVIDENCE DRIVE	GUISBOROUGH
£192,995	83	£2,325	17/07/2015	TS14 7NP	TS14 7	19	PROVIDENCE DRIVE	GUISBOROUGH
£260,995	126	£2,071	24/07/2015	TS14 7NP	TS14 7	2	PROVIDENCE DRIVE	GUISBOROUGH
£264,995	126	£2,103	20/11/2015	TS14 7NP	TS14 7	20	PROVIDENCE DRIVE	GUISBOROUGH
£214,995	110	£1,955	24/09/2015	TS14 7NP	TS14 7	21	PROVIDENCE DRIVE	GUISBOROUGH
£214,995	110	£1,955	30/09/2015	TS14 7NP	TS14 7	23	PROVIDENCE DRIVE	GUISBOROUGH
£259,995	126	£2,063	18/03/2016	TS14 7NP	TS14 7	25	PROVIDENCE DRIVE	GUISBOROUGH
£264,995	125	£2,120	29/01/2016	TS14 7NP	TS14 7	26	PROVIDENCE DRIVE	GUISBOROUGH
£264,995	126	£2,103	15/01/2016	TS14 7NP	TS14 7	27	PROVIDENCE DRIVE	GUISBOROUGH
£264,995	125	£2,120	30/11/2015	TS14 7NP	TS14 7	28	PROVIDENCE DRIVE	GUISBOROUGH
£264,995	125	£2,120	08/07/2016	TS14 7NP	TS14 7	29	PROVIDENCE DRIVE	GUISBOROUGH
£256,995	125	£2,056	24/03/2016	TS14 7NP	TS14 7	31	PROVIDENCE DRIVE	GUISBOROUGH
£202,995	88	£2,307	29/02/2016	TS14 7NP	TS14 7	33	PROVIDENCE DRIVE	GUISBOROUGH
£183,795	88	£2,089	15/04/2016	TS14 7NP	TS14 7	34	PROVIDENCE DRIVE	GUISBOROUGH
£202,995	88	£2,307	29/01/2016	TS14 7NP	TS14 7	35	PROVIDENCE DRIVE	GUISBOROUGH
£184,995	88	£2,102	17/03/2016	TS14 7NP	TS14 7	36	PROVIDENCE DRIVE	GUISBOROUGH
£169,995	83	£2,048	10/06/2016	TS14 7NP	TS14 7	37	PROVIDENCE DRIVE	GUISBOROUGH
£170,995	83	£2,060	23/05/2016	TS14 7NP	TS14 7	39	PROVIDENCE DRIVE	GUISBOROUGH
£202,995	88	£2,307	24/07/2015	TS14 7NP	TS14 7	4	PROVIDENCE DRIVE	GUISBOROUGH
£76,640	78	£983	17/12/2015	TS14 7NP	TS14 7	43	PROVIDENCE DRIVE	GUISBOROUGH
£85,480	86	£994	17/12/2015	TS14 7NP	TS14 7	44	PROVIDENCE DRIVE	GUISBOROUGH
£76,640	78	£983	17/12/2015	TS14 7NP	TS14 7	45	PROVIDENCE DRIVE	GUISBOROUGH
£85,480	86	£994	17/12/2015	TS14 7NP	TS14 7	46	PROVIDENCE DRIVE	GUISBOROUGH
£76,640	78	£983	17/12/2015	TS14 7NP	TS14 7	47	PROVIDENCE DRIVE	GUISBOROUGH
£85,480	86	£994	17/12/2015	TS14 7NP	TS14 7	48	PROVIDENCE DRIVE	GUISBOROUGH
£76,640	78	£983	17/12/2015	TS14 7NP	TS14 7	49	PROVIDENCE DRIVE	GUISBOROUGH
£85,480	86	£994	17/12/2015	TS14 7NP	TS14 7	50	PROVIDENCE DRIVE	GUISBOROUGH
£76,640	78	£983	17/12/2015	TS14 7NP	TS14 7	51	PROVIDENCE DRIVE	GUISBOROUGH
£85,480	86	£994	17/12/2015	TS14 7NP	TS14 7	52	PROVIDENCE DRIVE	GUISBOROUGH
£85,480	86	£994	17/12/2015	TS14 7NP	TS14 7	54	PROVIDENCE DRIVE	GUISBOROUGH
£264,995			24/09/2015	TS14 7NP	TS14 7	6	PROVIDENCE DRIVE	GUISBOROUGH
£255,995			11/09/2015	TS14 7NP	TS14 7	8	PROVIDENCE DRIVE	GUISBOROUGH
£199,995	85	£2,353	20/11/2015	TS14 8DF	TS14 8	3	GLAISDALE ROAD	GUISBOROUGH
£209,995	88	£2,386	30/11/2015	TS14 8DF	TS14 8	5	GLAISDALE ROAD	GUISBOROUGH
£319,995			18/01/2016	TS14 8DG	TS14 8	1	BILSDALE GARDENS	GUISBOROUGH
£214,995			29/04/2016	TS14 8DG	TS14 8	10	BILSDALE GARDENS	GUISBOROUGH

£254,995			29/01/2016	TS14 8DG	TS14 8	11	BILSDALE GARDENS	GUISBOROUGH
£221,995	90	£2,467	29/04/2016	TS14 8DG	TS14 8	12	BILSDALE GARDENS	GUISBOROUGH
£219,995			13/05/2016	TS14 8DG	TS14 8	14	BILSDALE GARDENS	GUISBOROUGH
£216,995			27/05/2016	TS14 8DG	TS14 8	16	BILSDALE GARDENS	GUISBOROUGH
£199,995	89	£2,247	11/03/2016	TS14 8DG	TS14 8	17	BILSDALE GARDENS	GUISBOROUGH
£269,995			27/05/2016	TS14 8DG	TS14 8	18	BILSDALE GARDENS	GUISBOROUGH
£254,995			22/03/2016	TS14 8DG	TS14 8	19	BILSDALE GARDENS	GUISBOROUGH
£216,995			30/06/2016	TS14 8DG	TS14 8	24	BILSDALE GARDENS	GUISBOROUGH
£299,995	130	£2,308	29/01/2016	TS14 8DG	TS14 8	3	BILSDALE GARDENS	GUISBOROUGH
£299,995			25/02/2016	TS14 8DG	TS14 8	5	BILSDALE GARDENS	GUISBOROUGH
£249,995			31/03/2016	TS14 8DG	TS14 8	6	BILSDALE GARDENS	GUISBOROUGH
£249,995	111	£2,252	29/01/2016	TS14 8DG	TS14 8	7	BILSDALE GARDENS	GUISBOROUGH
£299,995			29/04/2016	TS14 8DG	TS14 8	8	BILSDALE GARDENS	GUISBOROUGH
£266,995	114	£2,342	29/01/2016	TS14 8DG	TS14 8	9	BILSDALE GARDENS	GUISBOROUGH
£264,995	114	£2,325	01/07/2016	TS14 8DQ	TS14 8	1	DANBY CLOSE	GUISBOROUGH
£204,995	85	£2,412	17/12/2015	TS14 8DQ	TS14 8	18	DANBY CLOSE	GUISBOROUGH
£219,995			03/12/2015	TS14 8DQ	TS14 8	19	DANBY CLOSE	GUISBOROUGH
£209,995	88	£2,386	13/11/2015	TS14 8DQ	TS14 8	2	DANBY CLOSE	GUISBOROUGH
£209,995	88	£2,386	10/12/2015	TS14 8FA	TS14 8	2	CRINGLE GARDENS	GUISBOROUGH
£294,950	134	£2,201	29/01/2016	TS14 8HA	TS14 8	10	NIGHTINGALE ROAD	GUISBOROUGH
£289,950	125	£2,320	01/04/2016	TS14 8HA	TS14 8	21	NIGHTINGALE ROAD	GUISBOROUGH
£159,950			01/04/2016	TS14 8LX	TS14 8	14	DUNNOCK CLOSE	GUISBOROUGH
£189,950	101	£1,881	18/03/2016	TS14 8LX	TS14 8	15	DUNNOCK CLOSE	GUISBOROUGH
£162,950			30/03/2016	TS14 8LX	TS14 8	16	DUNNOCK CLOSE	GUISBOROUGH
£162,950			15/03/2016	TS14 8LX	TS14 8	17	DUNNOCK CLOSE	GUISBOROUGH
£189,950			26/02/2016	TS14 8LX	TS14 8	18	DUNNOCK CLOSE	GUISBOROUGH
£189,950			26/02/2016	TS14 8LX	TS14 8	19	DUNNOCK CLOSE	GUISBOROUGH
£159,950	68	£2,352	04/04/2016	TS14 8LX	TS14 8	20	DUNNOCK CLOSE	GUISBOROUGH
£67,000			23/01/2015	TS6 0GA	TS6 0	51	MAPLEWOOD DRIVE	MIDDLESBROUGH
£159,950	87	£1,839	12/06/2015	TS6 0GA	TS6 0	59	MAPLEWOOD DRIVE	MIDDLESBROUGH
£137,950			02/02/2015	TS6 0GA	TS6 0	61	MAPLEWOOD DRIVE	MIDDLESBROUGH
£137,950			23/01/2015	TS6 0GA	TS6 0	63	MAPLEWOOD DRIVE	MIDDLESBROUGH
£149,950	90	£1,666	24/04/2015	TS6 0GA	TS6 0	65	MAPLEWOOD DRIVE	MIDDLESBROUGH
£129,950			26/06/2015	TS6 0GA	TS6 0	67	MAPLEWOOD DRIVE	MIDDLESBROUGH
£137,950			20/02/2015	TS6 0GA	TS6 0	69	MAPLEWOOD DRIVE	MIDDLESBROUGH
£149,950			22/05/2015	TS6 0GA	TS6 0	71	MAPLEWOOD DRIVE	MIDDLESBROUGH
£147,734			14/05/2015	TS6 0GA	TS6 0	73	MAPLEWOOD DRIVE	MIDDLESBROUGH
£129,950	79	£1,645	26/06/2015	TS6 0GA	TS6 0	75	MAPLEWOOD DRIVE	MIDDLESBROUGH
£129,950			11/09/2015	TS6 0GA	TS6 0	77	MAPLEWOOD DRIVE	MIDDLESBROUGH
£150,000			25/06/2015	TS6 0GA	TS6 0	79	MAPLEWOOD DRIVE	MIDDLESBROUGH
£149,950			26/06/2015	TS6 0GA	TS6 0	81	MAPLEWOOD DRIVE	MIDDLESBROUGH
£184,950			28/08/2015	TS6 0GA	TS6 0	83	MAPLEWOOD DRIVE	MIDDLESBROUGH
£129,950	79	£1,645	18/09/2015	TS6 0GA	TS6 0	85	MAPLEWOOD DRIVE	MIDDLESBROUGH
£129,950			25/09/2015	TS6 0GA	TS6 0	87	MAPLEWOOD DRIVE	MIDDLESBROUGH
£159,950			30/07/2015	TS6 0GA	TS6 0	89	MAPLEWOOD DRIVE	MIDDLESBROUGH
£129,950			26/06/2015	TS6 0GB	TS6 0	32	MAPLEWOOD DRIVE	MIDDLESBROUGH
£128,202			30/06/2015	TS6 0GB	TS6 0	34	MAPLEWOOD DRIVE	MIDDLESBROUGH
£194,950			10/07/2015	TS6 0GB	TS6 0	36	MAPLEWOOD DRIVE	MIDDLESBROUGH
£179,950			27/03/2015	TS6 0GB	TS6 0	38	MAPLEWOOD DRIVE	MIDDLESBROUGH
£194,950	128	£1,523	26/03/2015	TS6 0GB	TS6 0	40	MAPLEWOOD DRIVE	MIDDLESBROUGH
£194,950			27/03/2015	TS6 0GB	TS6 0	42	MAPLEWOOD DRIVE	MIDDLESBROUGH
£179,950			27/03/2015	TS6 0GB	TS6 0	44	MAPLEWOOD DRIVE	MIDDLESBROUGH
£179,950			26/03/2015	TS6 0GB	TS6 0	46	MAPLEWOOD DRIVE	MIDDLESBROUGH
£184,950			20/11/2015	TS6 0GB	TS6 0	48	MAPLEWOOD DRIVE	MIDDLESBROUGH
£169,950	108	£1,574	02/10/2015	TS6 0GB	TS6 0	50	MAPLEWOOD DRIVE	MIDDLESBROUGH
£197,950			25/09/2015	TS6 0GB	TS6 0	52	MAPLEWOOD DRIVE	MIDDLESBROUGH
£186,950			11/09/2015	TS6 0GB	TS6 0	54	MAPLEWOOD DRIVE	MIDDLESBROUGH
£179,950			30/10/2015	TS6 0GB	TS6 0	56	MAPLEWOOD DRIVE	MIDDLESBROUGH
£134,950	79	£1,708	30/10/2015	TS6 0GB	TS6 0	58	MAPLEWOOD DRIVE	MIDDLESBROUGH
£134,950			23/10/2015	TS6 0GB	TS6 0	60	MAPLEWOOD DRIVE	MIDDLESBROUGH
£204,950			15/01/2016	TS6 0GB	TS6 0	62	MAPLEWOOD DRIVE	MIDDLESBROUGH
£155,950			23/01/2015	TS6 0GE	TS6 0	18	BIRCHWOOD GROVE	MIDDLESBROUGH
£164,950	127	£1,299	22/04/2016	TS6 0GH	TS6 0	11	CEDARWOOD ROAD	MIDDLESBROUGH
£134,950			24/03/2016	TS6 0GH	TS6 0	15	CEDARWOOD ROAD	MIDDLESBROUGH
£134,950			31/03/2016	TS6 0GH	TS6 0	17	CEDARWOOD ROAD	MIDDLESBROUGH
£204,950	127	£1,614	04/03/2016	TS6 0GH	TS6 0	21	CEDARWOOD ROAD	MIDDLESBROUGH
£134,950			26/02/2016	TS6 0GH	TS6 0	23	CEDARWOOD ROAD	MIDDLESBROUGH
£234,950			01/04/2016	TS6 0GH	TS6 0	25	CEDARWOOD ROAD	MIDDLESBROUGH
£134,950			18/01/2016	TS6 0GH	TS6 0	27	CEDARWOOD ROAD	MIDDLESBROUGH
£134,950	79	£1,708	29/01/2016	TS6 0GH	TS6 0	29	CEDARWOOD ROAD	MIDDLESBROUGH
£99,950			29/01/2016	TS6 0GH	TS6 0	31	CEDARWOOD ROAD	MIDDLESBROUGH
£99,950	62	£1,612	29/01/2016	TS6 0GH	TS6 0	33	CEDARWOOD ROAD	MIDDLESBROUGH
£86,500			05/01/2016	TS6 0LX	TS6 0	41A	CLEVELAND STREET	MIDDLESBROUGH
£95,000	73	£1,301	08/04/2015	TS6 8DJ	TS6 8	1	FARRIER MEWS	MIDDLESBROUGH
£99,995			16/04/2015	TS6 8EG	TS6 8	41	PASTURE LANE	MIDDLESBROUGH
£142,265			26/06/2015	TS6 8FA	TS6 8	1	KINGS CLOSE	MIDDLESBROUGH

£119,995			28/01/2016	TS6 8FA	TS6 8	18	KINGS CLOSE	MIDDLESBROUGH
£102,995	71	£1,451	26/06/2015	TS6 8FA	TS6 8	20	KINGS CLOSE	MIDDLESBROUGH
£107,995			29/06/2015	TS6 8FA	TS6 8	23	KINGS CLOSE	MIDDLESBROUGH
£117,995			01/02/2016	TS6 8FA	TS6 8	26	KINGS CLOSE	MIDDLESBROUGH
£143,995	99	£1,454	30/06/2015	TS6 8FA	TS6 8	9	KINGS CLOSE	MIDDLESBROUGH
£280,000	122	£2,295	06/11/2015	TS7 0AT	TS7 0	7	NESSFIELD PLACE	MIDDLESBROUGH
£345,000	153	£2,255	01/10/2015	TS7 0PD	TS7 0	10	CHURCH LANE	MIDDLESBROUGH
£325,000			05/02/2016	TS7 0PD	TS7 0	11	CHURCH LANE	MIDDLESBROUGH
£117,500			22/05/2015	TS7 0PP	TS7 0	14	ROSEBERRY MEWS	MIDDLESBROUGH
£122,950			22/01/2015	TS7 0PP	TS7 0	9	ROSEBERRY MEWS	MIDDLESBROUGH
£170,000	94	£1,809	30/06/2016	TS7 9BE	TS7 9	1	LYNDHURST GARDENS	MIDDLESBROUGH
£249,950	107	£2,336	17/07/2015	TS7 9BE	TS7 9	2	LYNDHURST GARDENS	MIDDLESBROUGH
£250,000			11/09/2015	TS7 9BE	TS7 9	3	LYNDHURST GARDENS	MIDDLESBROUGH
£200,000	107	£1,869	19/05/2016	TS7 9BE	TS7 9	4	LYNDHURST GARDENS	MIDDLESBROUGH
£249,950	107	£2,336	18/12/2015	TS7 9BE	TS7 9	5	LYNDHURST GARDENS	MIDDLESBROUGH
£279,950	107	£2,616	05/06/2015	TS7 9BE	TS7 9	6	LYNDHURST GARDENS	MIDDLESBROUGH

Appendix 3 – Residential Appraisal Assumptions

PBA (2013)				AspinalVerdi (2016)			
Assumption	Source	Notes		Source	Notes		
Development Scenario	Consultations	Analysed SHLAA site over 0-5 and 6+ which formed the evidence in creating these typologies		SHLAA and Local Plan Allocations	The same method used as by PBA. Site allocations from 0-5 and 6+ years to create typologies		
		Hectares			Hectares		
		Greenfield Large	3		Greenfield Large	8	
		Greenfield Small	0.5		Greenfield Medium	3	
		Brownfield Large	3		Greenfield Small	0.6	
		Brownfield Small	0.5		Brownfield Medium	3	
Brown/greenfield Large	3	Brownfield Small	0.6				
Brown/greenfield Small	0.5	Brown/greenfield Medium	3				
		Brown/greenfield Small		0.6			
		Sizes are all net developable area				Sizes are all net developable area	
No. of Units	Consultations	Units		SHLAA and Local Plan Allocations	Units		
		Greenfield Large	105		Greenfield Large	280	
		Greenfield Small	18		Greenfield Medium	105	
		Brownfield Large	105		Greenfield Small	21	
		Brownfield Small	18		Brownfield Medium	105	
		Brown/greenfield Large	105		Brownfield Small	21	
Brown/greenfield Small	18	Brown/greenfield Medium	105				
		Brown/greenfield Small		21			
Residential sales values	PBA, developer interviews, market comparable, Land Registry	Value Per sqm		Developer/land owners, Market Comparable, Land Registry	Value Per sqm		
		Low Value House	£1,600		Lower Value House	£1,500	
		Standard Value House	£1,800		Standard Value House	£1,900	
		Low Value Flat	£1,500		Higher Value House	£2,100	
Standard Value Flat	£1,700	Standard Value Flat	Not tested				
		Standard Value Flat	Not tested				
		High Value House Flat	Not tested				
Affordable housing transfer values	HCA policy and consultation with RSLs	Both Affordable rent and intermediate housing tenures were assumed at 55% of open market values		Consultation with Registered Providers	RPs have indicated that affordable housing values, regardless of tenure are between 45% and 50% of market value. We have assumed a mid-point in our assessment.		
		Value Per sqm			47.5%		
		Low Value House	£880		Affordable rent	Value Per sqm	
		Standard Value House	£990		Lower Value House	£713	
Low Value Flat	£825	Standard Value House	£903				
Standard Value Flat	£935	Higher Value House	£998				
		Shared Ownership	Value Per sqm				
		Lower Value House	£713				
		Standard Value House	£903				
		Higher Value House	£998				
Densities and average unit size	Client & developer workshop	Houses and Flats		Market data, Technical Standards	Houses and Flats		dph (dwellings per hectare)
		35			35		
		3 bed semi detached houses have been assumed			3 bed semi detached houses have been assumed		
		Houses	85	Houses	85		
		Flats	60	Flats	Not tested		
Build Costs	BCIS	BCIS median costs were used for all property types		BCIS	Analysis of house builders costs information provided to the HCA tender panel shows that house builders median and mean costs used are around 13% lower than BCIS median costs. A discount of 13% of median BCIS costs is roughly in line with current lower quartile BCIS costs. To reflect costs being delivered in the market we have used lower quartile costs for general estate housing, re-based for the borough - BCIS data is contained in Appendix 4.		
		sqm			sqm		
		All houses	£722		All houses	£843	
		All Flats	£832	All Flats	Not tested		
Plot external	Industry Standards	External build costs and site preparation; roads landscaping etc. does not include abnormal site development costs		Industry Standards	External build costs and site preparation; roads landscaping etc. does not include abnormal site development costs		
		Greenfield	15%		Greenfield	15%	
		Brownfield	10%		Brownfield	10%	
		Brown/greenfield	12.50%		Brown/greenfield	12.50%	
Remediation/demolition	Industry Standards	per hectare		Industry Standards	per hectare		
		Greenfield	£0		Greenfield	£0	
		Brownfield	£200,000		Brownfield	£200,000	
		Brown/greenfield	£100,000	Brown/greenfield	£100,000		

Developer Contributions (S106/S278)	Planning Policy	s106 per unit cost assumed for other infrastructure besides affordable housing which is included as a different part of the model	
		s106 cost (a)	per unit £500
		s106 cost (b)	£2,800
Professional Fees	Industry Standards	Calculated as part of the build costs at industry standard rates	
			8%
Contingency	Industry Standards & developer Workshop	Based on the risk associated with each site	
			3%
Sale Costs	Industry Standards	Rates based on industry standards	
		legals	per unit £500
		Sales & Marketing cost	private sale value 3.50%
Finance Costs	Industry Standards	Based on current market conditions	
			7%
Stamp Duty	HMRC	2013 treasury rates	
		Up to £125,000	0%
		Over £125,000 - £250,000	1%
		Over £250,000 - £500,000	3%
		Over £500,000	4%
Professional Fees on Land Purchase	Industry Standards	Surveyor	1%
		Legals	0.75%
Profit	Industry Standards	Developers profit split by tenure	
		Private Housing	22%
		Affordable Housing	6%
Time-scales	Consultations	Units per annum	
		Lower Value	24
		Higher Value	32
Residential threshold land value pre net developable hectare	PBA	Land values adjusted based on assumptions	
		per hectare	
		Greenfield Large Low	£500,000
		Greenfield Small Low	£575,000
		Greenfield Large Mid	£675,000
		Greenfield Small Mid	£750,000
		Greenfield Large High	£800,000
		Greenfield Small High	£900,000
		Brownfield Large Low	£375,000
		Brownfield Small Low	£425,000
		Brownfield Large Mid	£525,000
		Brownfield Small Mid	£600,000
		Brownfield Large High	£650,000
		Brownfield Small High	£750,000
		Brown/greenfield Large Low	£425,000
		Brown/greenfield Small Low	£475,000
		Brown/greenfield Large Mid	£575,000
		Brown/greenfield Small Mid	£650,000
		Brown/greenfield Large High	£700,000
		Brown/greenfield Small High	£800,000

Planning Policy	Section 106 costs are based on past two years collection figures. These cover the cost of education and leisure at £4,000 per unit and £500 per unit for SPA mitigation.	
	s106 cost (a)	per unit £4,500
	s106 cost (b)	N/a
Industry Standards	Calculated as part of the build costs at industry standard rates	
		8%
Industry standards and Harman Report	Based on the risk associated with each site	
		3%
Industry Standards	Rates based on industry standards	
	Legals	per private sale unit £500
	Sales & Marketing cost	private sale value 3.50%
Industry Standards	Based on current market conditions	
		7%
HMRC	2016 treasury rates	
	Up to £150,000	0%
	The next £100,000 (the portion from £150,001 to £250,000)	2%
	The remaining amount (the portion above £250,000)	5%
Industry Standards	Surveyor	1%
	Legals	0.75%
Industry Standards	Developers profit split by tenure	
	Private Housing	20%
	Affordable Housing	6%
Aspinall/Verdi (2016)	Land values adjusted based on assumptions adjusting for	
	per hectare	
	Greenfield Large -lower	£400,000
	Brownfield Medium -lower	£200,000
	Brownfield Small - lower	£200,000
	Greenfield Large -standard	£550,000
	Greenfield Medium -standard	£550,000
	Greenfield Small -standard	£550,000
	Brownfield Medium -standard	£450,000
	Brownfield Small -standard	£450,000
	Brown/greenfield Medium -standard	£500,000
	Brown/greenfield Small -standard	£500,000
	Greenfield Large -higher	£800,000
Greenfield Medium -higher	£825,000	
Greenfield Small - higher	£825,000	

		Start	Finish	# of Months	Comment
		Greenfield Large -lower	01 November 2016	01 November 2023	
Aspinall Verdi 2016 Consultations	Brownfield Medium -lower	01 November 2016	01 October 2019	36	6 month lead in for site clearance & remediation
	Brownfield Small - lower	01 November 2016	01 November 2018	25	6 month lead in for site clearance & remediation
	Greenfield Large -standard	01 November 2016	01 November 2023	86	
	Greenfield Medium -standard	01 November 2016	01 April 2019	30	
	Greenfield Small -standard	01 November 2016	01 May 2018	18	
	Brownfield Medium -standard	01 November 2016	01 October 2019	36	6 month lead in for site clearance & remediation
	Brownfield Small -standard	01 November 2016	01 November 2018	25	6 month lead in for site clearance & remediation
	Brown/greenfield Medium -standard	01 November 2016	01 July 2019	33	3 month lead in for site clearance & remediation
	Brown/greenfield Small -standard	01 November 2016	01 August 2018	21	3 month lead in for site clearance & remediation
	Greenfield Large -higher	01 November 2016	01 November 2023	86	
	Greenfield Medium -higher	01 November 2016	01 April 2019	30	
	Greenfield Small - higher	01 November 2016	01 May 2018	18	

Appendix 4 – BCIS Build Cost Data

£/m² study

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

Last updated: 29-Oct-2016 12:19

› Rebased to Cleveland (93; sample 72)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
Estate housing							
Generally (15)	987	489	843	961	1,086	3,190	1840
Single storey (15)	1,095	569	946	1,066	1,233	1,865	312
2-storey (15)	961	489	833	939	1,058	1,934	1392
3-storey (15)	978	632	805	926	1,098	2,036	134
4-storey or above (25)	1,835	1,062	-	1,543	-	3,190	4
Estate housing detached (15)	1,088	752	901	1,120	1,169	1,691	17
Estate housing semi detached							
Generally (15)	991	503	851	969	1,095	1,865	429
Single storey (15)	1,149	692	983	1,148	1,282	1,865	77
2-storey (15)	959	503	842	939	1,057	1,688	333
3-storey (15)	917	678	759	901	986	1,459	19
Estate housing terraced							
Generally (15)	1,002	489	837	967	1,113	3,190	400
Single storey (15)	1,073	643	887	1,005	1,266	1,625	54
2-storey (15)	986	489	836	958	1,090	1,934	287
3-storey (15)	981	643	805	921	1,045	2,036	58
Flats (apartments)							
Generally (15)	1,183	566	991	1,129	1,333	4,059	883
1-2 storey (15)	1,117	656	966	1,082	1,230	2,120	210
3-5 storey (15)	1,161	566	978	1,121	1,323	2,314	592
6+ storey (15)	1,520	874	1,232	1,449	1,661	4,059	77

£/m2 study

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

Last updated: 26-Nov-2016 12:19

› Rebased to Cleveland (92; sample 72)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
Factories							
Generally (20)	849	195	490	703	1,018	3,111	142
Up to 500m2 GFA (20)	1,020	576	701	889	1,350	1,847	22
500 to 2000m2 GFA (20)	883	195	509	775	1,005	3,111	63
Over 2000m2 GFA (20)	745	286	414	579	952	1,893	57
Advance factories							
Generally (15)	674	352	482	658	829	1,209	39
Up to 500m2 GFA (15)	830	677	708	796	928	1,090	8
500 to 2000m2 GFA (15)	667	352	476	641	846	1,209	23
Over 2000m2 GFA (15)	538	385	403	520	609	829	8
Advance factories/offices - mixed facilities (class B1)							
Generally (15)	980	369	567	893	1,236	1,893	18
Up to 500m2 GFA (20)	1,643	1,365	-	1,717	-	1,847	3
500 to 2000m2 GFA (15)	914	369	775	998	1,174	1,253	5
Over 2000m2 GFA (15)	815	389	514	597	1,065	1,893	10
Purpose built factories							
Generally (25)	918	195	487	792	1,135	3,111	78
Up to 500m2 GFA (25)	1,074	576	743	917	1,456	1,625	7
500 to 2000m2 GFA (25)	1,001	195	512	692	1,256	3,111	27
Over 2000m2 GFA (25)	842	256	460	791	1,114	1,719	44
Purpose built factories/Offices - mixed facilities (15)	838	351	652	714	922	1,836	16
Warehouses/stores							
Generally (15)	727	209	449	604	841	3,371	54
Up to 500m2 GFA (15)	1,346	495	739	946	1,597	3,371	8
500 to 2000m2 GFA (15)	746	356	508	729	957	1,275	14
Over 2000m2 GFA (15)	564	209	434	476	660	1,152	32
Advance warehouses/stores (15)	544	321	439	458	677	987	15
Purpose built warehouses/stores							

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
Generally (15)	789	209	463	631	946	3,371	37
Up to 500m ² GFA (15)	1,552	495	910	1,216	1,959	3,371	6
500 to 2000m ² GFA (15)	724	356	490	650	927	1,275	12
Over 2000m ² GFA (15)	588	209	437	571	690	1,139	19
Cold stores/refrigerated stores (20)	937	709	-	820	-	1,401	4
Offices							
Generally (15)	1,422	605	1,027	1,310	1,606	4,467	154
Air-conditioned							
Generally (15)	1,506	605	1,158	1,396	1,583	4,467	45
1-2 storey (15)	1,263	605	1,011	1,182	1,407	2,707	17
3-5 storey (15)	1,560	957	1,208	1,403	1,565	4,467	20
6+ storey (15)	1,852	1,363	1,525	1,624	1,750	3,424	7
Not air-conditioned							
Generally (15)	1,398	674	996	1,300	1,670	2,660	72
1-2 storey (15)	1,328	674	944	1,249	1,652	2,432	38
3-5 storey (15)	1,429	795	1,109	1,291	1,593	2,660	30
6+ storey (15)	1,829	1,430	-	1,869	-	2,148	4

Appendix 5 – Residential Appraisals

Scenario		280 units	Greenfield Large -higher			
Scheme summary						
Net Site Area	8.00	Residual value	£840,995	per ha		
No. of units	Total	Private	Affordable			
	280	238	42	15.00% percentage		
1.0 Development Value						
Value Zone 1						
1.1	Private Units Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		238	85	20,230	£2,100	£42,483,000
		238		20,230		
1.2	Social rented Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		29	85	2,499	£998	£2,492,753
		29		2,499		
1.3	Intermediate Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		13	85	1,071	£998	£1,068,323
		13		1,071		
Gross Development Value		280		23,800		£46,044,075
2.0 Development Cost						
2.1 Site Acquisition						
2.1.1	Residual Site Value					£7,203,709
			SDLT			£349,685
			Less Purchaser Costs	1.75%		£126,065
Net residual value						£6,727,959
2.2 Build Costs						
2.2.1	Private units Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		238	85	20,230	£843	£17,053,890
		238		20,230		
2.2.2	Social rented Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		29	85	2,499	£843	£2,106,657
		29		2,499		
2.2.3	Intermediate Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		13	85	1,071	£843	£902,853
		13		1,071		
		280		23,800		£20,063,400
2.3 External works						
2.3.1	as percentage of build costs	15%				£3,009,510
						£3,009,510
2.4 Professional fees						
2.4.1	as percentage of build costs	8%				£1,605,072
						£1,605,072
2.5 Contingency						
2.5.1	Based upon percentage of construction costs	3%				£601,902
						£601,902
2.6 Site abnormals						
2.6.1	Remediation/ demolition	£0	per net ha			£0
						£0
2.7 Developer contributions						
2.7.1	s106 cost (a)	£4,500	per unit			£1,260,000
						£1,260,000
2.8 Sale cost						
2.8.1	Sales & Marketing cost	3.50%	private sale value			£1,486,905
2.8.2	Legals	£500	per private sale unit			£119,000
						£1,605,905
TOTAL DEVELOPMENT COSTS						£35,349,498
3.0 Developers' Profit						
3.1	Based upon percentage of private housing GDV	Rate	20%			£8,496,600
3.2	Based upon percentage affordable housing GDV	Rate	6%			£213,665
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£44,059,763
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£1,984,312
4.00	Finance Costs	APR	7.00%	PCM	0.565%	£-1,984,312
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£46,044,075

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Scenario		280 units		Greenfield Large -lower			
Scheme summary							
Net Site Area	8.00	Residual value	-£149,475	per ha			
No. of units	Total	Private	Affordable				
	280	238	42	15.00%	percentage		
1.0 Development Value							
Value Zone 1							
1.1	Private Units Houses		No. of units	Size sq.m	Total sq.m	£psm	Total Value
			238	85	20,230	£1,500	£30,345,000
			238		20,230		
1.2	Social rented Houses	70.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			29	85	2,499	£713	£1,780,538
			29		2,499		
1.3	Intermediate Houses	30.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			13	85	1,071	£713	£763,088
			13		1,071		
Gross Development Value			280	23,800			£32,888,625
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Residual Site Value						-£1,217,098
			SDLT				£0
			Less Purchaser Costs		1.75%		-£21,299
Net residual value							-£1,195,799
2.2 Build Costs							
2.2.1	Private units Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			238	85	20,230	£843	£17,053,890
			238		20,230		
2.2.2	Social rented Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			29	85	2,499	£843	£2,106,657
			29		2,499		
2.2.3	Intermediate Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			13	85	1,071	£843	£902,853
			13		1,071		
			280	23,800			£20,063,400
2.3 External works							
2.3.1	as percentage of build costs	15%					Total Costs £3,009,510
							£3,009,510
2.4 Professional fees							
2.4.1	as percentage of build costs	8%					Total Costs £1,605,072
							£1,605,072
2.5 Contingency							
2.5.1	Based upon percentage of construction costs	3%					Total Costs £601,902
							£601,902
2.6 Site abnormals							
2.6.1	Remediation/ demolition	£0	per net ha				Total Costs £0
							£0
2.7 Developer contributions							
2.7.1	s106 cost (a)	£4,500	per unit				Total Costs £1,260,000
							£1,260,000
2.8 Sale cost							
2.8.1	Sales & Marketing cost	3.50%	private sale value				Total Costs £1,062,075
2.8.2	Legals	£500	per private sale unit				Total Costs £119,000
							£1,181,075
TOTAL DEVELOPMENT COSTS							£26,503,861
3.0 Developers' Profit							
3.1	Based upon percentage of private housing GDV	Rate 20%					Total Costs £6,069,000
3.2	Based upon percentage affordable housing GDV	Rate 6%					Total Costs £152,618
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£32,725,478
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£163,147
4.00 Finance Costs							
		APR 7.00%		PCM 0.565%			Total Costs -£163,147
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£32,888,625

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Scenario		280 units	Greenfield Large -standard				
Scheme summary							
Net Site Area	8.00	Residual value	£517,935 per ha				
No. of units	Total	Private	Affordable				
	280	238	42	15.00% percentage			
1.0 Development Value							
Value Zone 1							
1.1	Private Units Houses		No. of units	Size sq.m	Total sq.m	£psm	Total Value
			238	85	20,230	£1,900	£38,437,000
			238		20,230		
1.2	Social rented Houses	70.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			29	85	2,499	£903	£2,255,348
			29		2,499		
1.3	Intermediate Houses	30.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			13	85	1,071	£903	£966,578
			13		1,071		
Gross Development Value			280		23,800		£41,658,925
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Residual Site Value						£4,432,148
				SDLT			£211,107
				Less Purchaser Costs	1.75%		£77,563
Net residual value							£4,143,478
2.2 Build Costs							
2.2.1	Private units Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			238	85	20,230	£843	£17,053,890
			238		20,230		
2.2.2	Social rented Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			29	85	2,499	£843	£2,106,657
			29		2,499		
2.2.3	Intermediate Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			13	85	1,071	£843	£902,853
			13		1,071		
			280		23,800		£20,063,400
2.3 External works							
2.3.1	as percentage of build costs		15%				£3,009,510
							£3,009,510
2.4 Professional fees							
2.4.1	as percentage of build costs		8%				£1,605,072
							£1,605,072
2.5 Contingency							
2.5.1	Based upon percentage of construction costs		3%				£601,902
							£601,902
2.6 Site abnormals							
2.6.1	Remediation/ demolition		£0	per net ha			£0
							£0
2.7 Developer contributions							
2.7.1	s106 cost (a)		£4,500	per unit			£1,260,000
							£1,260,000
2.8 Sale cost							
2.8.1	Sales & Marketing cost		3.50%	private sale value			£1,345,295
2.8.2	Legals		£500	per private sale unit			£119,000
							£1,464,295
TOTAL DEVELOPMENT COSTS							£32,436,327
3.0 Developers' Profit							
3.1	Based upon percentage of private housing GDV		Rate	20%			£7,687,400
3.2	Based upon percentage affordable housing GDV		Rate	6%			£193,316
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£40,317,043
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£1,341,882
4.00	Finance Costs		APR	7.00%	PCM	0.565%	Total Costs -£1,341,882
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£41,658,925

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Scenario		105 units	Brownfield Medium -lower			
Scheme summary						
Net Site Area	3.00	Residual value	-£265,700 per ha			
No. of units	Total	Private	Affordable			
	105	89	16	15.00% percentage		
1.0 Development Value						
Value Zone 1						
1.1	Private Units Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		89	85	7,586	£1,500	£11,379,375
		89		7,586		
1.2	Social rented Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		11	85	937	£713	£667,702
		11		937		
1.3	Intermediate Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		5	85	402	£713	£286,158
		5		402		
Gross Development Value		105		8,925		£12,333,234
2.0 Development Cost						
2.1 Site Acquisition						
2.1.1	Residual Site Value					-£811,297
			SDLT			£0
			Less Purchaser Costs	1.75%		-£14,198
Net residual value						-£797,100
2.2 Build Costs						
2.2.1	Private units Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		89	85	7,586	£843	£6,395,209
		89		7,586		
2.2.2	Social rented Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		11	85	937	£843	£789,996
		11		937		
2.2.3	Intermediate Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		5	85	402	£843	£338,570
		5		402		
		105		8,925		£7,523,775
2.3 External works						
2.3.1	as percentage of build costs	10%				Total Costs £752,378
						£752,378
2.4 Professional fees						
2.4.1	as percentage of build costs	8%				Total Costs £601,902
						£601,902
2.5 Contingency						
2.5.1	Based upon percentage of construction costs	3%				Total Costs £225,713
						£225,713
2.6 Site abnormals						
2.6.1	Remediation/ demolition	£200,000	per net ha			Total Costs £600,000
						£600,000
2.7 Developer contributions						
2.7.1	s106 cost (a)	£4,500	per unit			Total Costs £472,500
						£472,500
2.8 Sale cost						
2.8.1	Sales & Marketing cost	3.50%	private sale value			Total Costs £398,278
2.8.2	Legals	£500	per private sale unit			Total Costs £44,625
						£442,903
TOTAL DEVELOPMENT COSTS						£9,807,873
3.0 Developers' Profit						
3.1	Based upon percentage of private housing GDV	Rate	20%			Total Costs £2,275,875
3.2	Based upon percentage affordable housing GDV	Rate	6%			Total Costs £57,232
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£12,140,980
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£192,254
4.00 Finance Costs						
		APR	7.00%	PCM	0.565%	Total Costs -£192,254
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£12,333,234

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Scenario 105 units Brownfield Medium -standard							
Scheme summary							
Net Site Area	3.00	Residual value	£450,256	per ha			
No. of units	Total	Private	Affordable				
	105	89	16	15.00%	percentage		
1.0 Development Value							
Value Zone 1							
1.1	Private Units Houses		No. of units	Size sq.m	Total sq.m	£psm	
			89	85	7,586	£1,900	
			89		7,586		
			Total Value				£14,413,875
1.2	Social rented Houses	70.00%	No. of units	Size sq.m	Total sq.m	£psm	
			11	85	937	£903	
			11		937		
			Total Value				£845,755
1.3	Intermediate Houses	30.00%	No. of units	Size sq.m	Total sq.m	£psm	
			5	85	402	£903	
			5		402		
			Total Value				£362,467
Gross Development Value			105	8,925	£15,622,097		
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Residual Site Value					£1,437,283	
			SDLT			£61,364	
			Less Purchaser Costs	1.75%		£25,152	
Net residual value						£1,350,767	
2.2 Build Costs							
2.2.1	Private units Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	
			89	85	7,586	£843	
			89		7,586		
			Total Costs				£6,395,209
2.2.2	Social rented Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	
			11	85	937	£843	
			11		937		
			Total Costs				£789,996
2.2.3	Intermediate Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	
			5	85	402	£843	
			5		402		
			Total Costs				£338,570
			105	8,925	£7,523,775		
2.3 External works							
2.3.1	as percentage of build costs	10%					Total Costs
						£752,378	
2.4 Professional fees							
2.4.1	as percentage of build costs	8%					Total Costs
						£601,902	
2.5 Contingency							
2.5.1	Based upon percentage of construction costs	3%					Total Costs
						£225,713	
2.6 Site abnormals							
2.6.1	Remediation/ demolition	£200,000	per net ha				Total Costs
						£600,000	
2.7 Developer contributions							
2.7.1	s106 cost (a)	£4,500	per unit				Total Costs
						£472,500	
2.8 Sale cost							
2.8.1	Sales & Marketing cost	3.50%	private sale value				Total Costs
						£504,486	
2.8.2	Legals	£500	per private sale unit				Total Costs
						£44,625	
						£549,111	
TOTAL DEVELOPMENT COSTS						£12,162,662	
3.0 Developers' Profit							
3.1	Based upon percentage of private housing GDV	Rate	20%				Total Costs
						£2,882,775	
3.2	Based upon percentage affordable housing GDV	Rate	6%				Total Costs
						£72,493	
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£15,117,930	
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£504,167	
4.00	Finance Costs	APR	7.00%	PCM	0.565%	Total Costs	
						-£504,167	
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£15,622,097	

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Scenario		105 units	Greenfield Medium -higher			
Scheme summary						
Net Site Area	3.00	Residual value	£913,686	per ha		
No. of units	Total	Private	Affordable			
	105	89	16	15.00% percentage		
1.0 Development Value						
Value Zone 1						
1.1	Private Units Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		89	85	7,586	£2,100	£15,931,125
		89		7,586		
1.2	Social rented Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		11	85	937	£998	£934,782
		11		937		
1.3	Intermediate Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		5	85	402	£998	£400,621
		5		402		
Gross Development Value		105		8,925		£17,266,528
2.0 Development Cost						
2.1 Site Acquisition						
2.1.1	Residual Site Value					£2,928,214
			SDLT			£135,911
			Less Purchaser Costs	1.75%		£51,244
Net residual value						£2,741,059
2.2 Build Costs						
2.2.1	Private units Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		89	85	7,586	£843	£6,395,209
		89		7,586		
2.2.2	Social rented Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		11	85	937	£843	£789,996
		11		937		
2.2.3	Intermediate Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		5	85	402	£843	£338,570
		5		402		
		105		8,925		£7,523,775
2.3 External works						
2.3.1	as percentage of build costs	15%				£1,128,566
						£1,128,566
2.4 Professional fees						
2.4.1	as percentage of build costs	8%				£601,902
						£601,902
2.5 Contingency						
2.5.1	Based upon percentage of construction costs	3%				£225,713
						£225,713
2.6 Site abnormals						
2.6.1	Remediation/ demolition	£0	per net ha			£0
						£0
2.7 Developer contributions						
2.7.1	s106 cost (a)	£4,500	per unit			£472,500
						£472,500
2.8 Sale cost						
2.8.1	Sales & Marketing cost	3.50%	private sale value			£557,589
2.8.2	Legals	£500	per private sale unit			£44,625
						£602,214
TOTAL DEVELOPMENT COSTS						£13,482,885
3.0 Developers' Profit						
3.1	Based upon percentage of private housing GDV	Rate	20%			£3,186,225
3.2	Based upon percentage affordable housing GDV	Rate	6%			£80,124
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£16,749,234
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£517,294
4.00	Finance Costs	APR	7.00%	PCM	0.565%	-£517,294
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£17,266,528

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Scenario		105 units	Greenfield Medium -standard			
Scheme summary						
Net Site Area	3.00	Residual value	£552,997	per ha		
No. of units	Total	Private	Affordable			
	105	89	16	15.00% percentage		
1.0 Development Value						
Value Zone 1						
1.1	Private Units Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		89	85	7,586	£1,900	£14,413,875
		89		7,586		
1.2	Social rented Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		11	85	937	£903	£845,755
		11		937		
1.3	Intermediate Houses	No. of units	Size sq.m	Total sq.m	£psm	Total Value
		5	85	402	£903	£362,467
		5		402		
Gross Development Value		105		8,925		£15,622,097
2.0 Development Cost						
2.1 Site Acquisition						
2.1.1	Residual Site Value					£1,767,820
			SDLT			£77,891
			Less Purchaser Costs	1.75%		£30,937
Net residual value						£1,658,992
2.2 Build Costs						
2.2.1	Private units Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		89	85	7,586	£843	£6,395,209
		89		7,586		
2.2.2	Social rented Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		11	85	937	£843	£789,996
		11		937		
2.2.3	Intermediate Houses	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
		5	85	402	£843	£338,570
		5		402		
		105		8,925		£7,523,775
2.3 External works						
2.3.1	as percentage of build costs	15%				Total Costs £1,128,566
						£1,128,566
2.4 Professional fees						
2.4.1	as percentage of build costs	8%				Total Costs £601,902
						£601,902
2.5 Contingency						
2.5.1	Based upon percentage of construction costs	3%				Total Costs £225,713
						£225,713
2.6 Site abnormals						
2.6.1	Remediation/ demolition	£0	per net ha			Total Costs £0
						£0
2.7 Developer contributions						
2.7.1	s106 cost (a)	£4,500	per unit			Total Costs £472,500
						£472,500
2.8 Sale cost						
2.8.1	Sales & Marketing cost	3.50%	private sale value			Total Costs £504,486
2.8.2	Legals	£500	per private sale unit			Total Costs £44,625
						£549,111
TOTAL DEVELOPMENT COSTS						£12,269,387
3.0 Developers' Profit						
3.1	Based upon percentage of private housing GDV	Rate 20%				Total Costs £2,882,775
3.2	Based upon percentage affordable housing GDV	Rate 6%				Total Costs £72,493
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£15,224,655
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£397,442
4.00 Finance Costs						
		APR 7.00%	PCM 0.565%			Total Costs -£397,442
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£15,622,097

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Scenario		105 units		Brown/greenfield Medium - standard			
Scheme summary							
Net Site Area	3.00	Residual value	£508,829	per ha			
No. of units	Total	Private	Affordable				
	105	89	16	15.00%	percentage		
1.0 Development Value							
Value Zone 1							
1.1	Private Units Houses		No. of units	Size sq.m	Total sq.m	£psm	Total Value
			89	85	7,586	£1,900	£14,413,875
			89		7,586		
1.2	Social rented Houses	70.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			11	85	937	£903	£845,755
			11		937		
1.3	Intermediate Houses	30.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			5	85	402	£903	£362,467
			5		402		
Gross Development Value			105		8,925		£15,622,097
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Residual Site Value						£1,625,722
				SDLT			£70,786
				Less Purchaser Costs	1.75%		£28,450
Net residual value							£1,526,486
2.2 Build Costs							
2.2.1	Private units Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			89	85	7,586	£843	£6,395,209
			89		7,586		
2.2.2	Social rented Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			11	85	937	£843	£789,996
			11		937		
2.2.3	Intermediate Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			5	85	402	£843	£338,570
			5		402		
			105		8,925		£7,523,775
2.3 External works							
2.3.1	as percentage of build costs		13%				Total Costs
							£940,472
							£940,472
2.4 Professional fees							
2.4.1	as percentage of build costs		8%				Total Costs
							£601,902
							£601,902
2.5 Contingency							
2.5.1	Based upon percentage of construction costs		3%				Total Costs
							£225,713
							£225,713
2.6 Site abnormals							
2.6.1	Remediation/ demolition		£100,000	per net ha			Total Costs
							£300,000
							£300,000
2.7 Developer contributions							
2.7.1	s106 cost (a)		£4,500	per unit			Total Costs
							£472,500
							£472,500
2.8 Sale cost							
2.8.1	Sales & Marketing cost		3.50%	private sale value			Total Costs
							£504,486
2.8.2	Legals		£500	per private sale unit			Total Costs
							£44,625
							£549,111
TOTAL DEVELOPMENT COSTS							£12,239,195
3.0 Developers' Profit							
3.1	Based upon percentage of private housing GDV		Rate	20%			Total Costs
							£2,882,775
3.2	Based upon percentage affordable housing GDV		Rate	6%			Total Costs
							£72,493
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£15,194,463
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£427,634
4.00 Finance Costs							
			APR	7.00%	PCM	0.565%	Total Costs
							-£427,634
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£15,622,097

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Scenario		21 units	Brownfield Small - lower				
Scheme summary							
Net Site Area	0.60	Residual value	-£273,514 per ha				
No. of units	Total	Private	Affordable				
	21	18	3	15.00% percentage			
1.0 Development Value							
Value Zone 1							
1.1	Private Units Houses		No. of units	Size sq.m	Total sq.m	£psm	Total Value
			18	85	1,517	£1,500	£2,275,875
			18		1,517		
1.2	Social rented Houses	70.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			2	85	187	£713	£133,540
			2		187		
1.3	Intermediate Houses	30.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			1	85	80	£713	£57,232
			1		80		
Gross Development Value			21		1,785		£2,466,647
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Residual Site Value						-£167,032
				SDLT			£0
				Less Purchaser Costs	1.75%		-£2,923
Net residual value							-£164,109
2.2 Build Costs							
2.2.1	Private units Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			18	85	1,517	£843	£1,279,042
			18		1,517		
2.2.2	Social rented Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			2	85	187	£843	£157,999
			2		187		
2.2.3	Intermediate Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			1	85	80	£843	£67,714
			1		80		
			21		1,785		£1,504,755
2.3 External works							
2.3.1	as percentage of build costs		10%				£150,476
							£150,476
2.4 Professional fees							
2.4.1	as percentage of build costs		8%				£120,380
							£120,380
2.5 Contingency							
2.5.1	Based upon percentage of construction costs		3%				£45,143
							£45,143
2.6 Site abnormals							
2.6.1	Remediation/ demolition		£200,000	per net ha			£120,000
							£120,000
2.7 Developer contributions							
2.7.1	s106 cost (a)		£4,500	per unit			£94,500
							£94,500
2.8 Sale cost							
2.8.1	Sales & Marketing cost		3.50%	private sale value			£79,656
2.8.2	Legals		£500	per private sale unit			£8,925
							£88,581
TOTAL DEVELOPMENT COSTS							£1,956,803
3.0 Developers' Profit							
3.1	Based upon percentage of private housing GDV		Rate	20%			£455,175
3.2	Based upon percentage affordable housing GDV		Rate	6%			£11,446
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£2,423,424
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£43,223
4.00	Finance Costs		APR	7.00%	PCM	0.565%	-£43,223
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£2,466,647

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Scenario **21 units** **Brownfield Small -standard**

Scheme summary

Net Site Area	0.60	Residual value	£509,490	per ha
No. of units	Total	Private	Affordable	
	21	18	3	15.00% percentage

1.0 Development Value							
Value Zone 1							
1.1	Private Units Houses		No. of units	Size sq.m	Total sq.m	£psm	Total Value
			18	85	1,517	£1,900	£2,882,775
			18		1,517		
1.2	Social rented Houses	70.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			2	85	187	£903	£169,151
			2		187		
1.3	Intermediate Houses	30.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			1	85	80	£903	£72,493
			1		80		

Gross Development Value	21	1,785	£3,124,419
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2.0 Development Cost			
2.1	Site Acquisition		
2.1.1	Residual Site Value		£316,562
		SDLT	£5,328
		Less Purchaser Costs	1.75% £5,540
	Net residual value		£305,694

2.2 Build Costs							
2.2.1	Private units Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			18	85	1,517	£843	£1,279,042
			18		1,517		
2.2.2	Social rented Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			2	85	187	£843	£157,999
			2		187		
2.2.3	Intermediate Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			1	85	80	£843	£67,714
			1		80		
			21		1,785		£1,504,755

2.3 External works			
2.3.1	as percentage of build costs	10%	£150,476
			£150,476

2.4 Professional fees			
2.4.1	as percentage of build costs	8%	£120,380
			£120,380

2.5 Contingency			
2.5.1	Based upon percentage of construction costs	3%	£45,143
			£45,143

2.6 Site abnormals			
2.6.1	Remediation/ demolition	£200,000 per net ha	£120,000
			£120,000

2.7 Developer contributions			
2.7.1	s106 cost (a)	£4,500 per unit	£94,500
			£94,500

2.8 Sale cost			
2.8.1	Sales & Marketing cost	3.50% private sale value	£100,897
2.8.2	Legals	£500 per private sale unit	£8,925
			£109,822

TOTAL DEVELOPMENT COSTS		£2,461,638
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3.0 Developers' Profit			
3.1	Based upon percentage of private housing GDV	Rate 20%	£576,555
3.2	Based upon percentage affordable housing GDV	Rate 6%	£14,499
			£591,054

TOTAL PROJECT COSTS [EXCLUDING INTEREST]		£3,052,691
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TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]		£71,728
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4.00 Finance Costs			
		APR 7.00%	PCM 0.565%
			£-71,728

TOTAL PROJECT COSTS [INCLUDING INTEREST]		£3,124,419
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Scenario		21 units	Greenfield Small - higher			
Scheme summary						
Net Site Area	0.60	Residual value	£937,482 per ha			
No. of units	Total	Private	Affordable			
	21	18	3	15.00%	percentage	
1.0 Development Value						
Value Zone 1						
1.1	Private Units Houses		No. of units	Size sq.m	Total sq.m	£psm
			18	85	1,517	£2,100
			18		1,517	
1.2	Social rented Houses	70.00%	No. of units	Size sq.m	Total sq.m	£psm
			2	85	187	£998
			2		187	
1.3	Intermediate Houses	30.00%	No. of units	Size sq.m	Total sq.m	£psm
			1	85	80	£998
			1		80	
Gross Development Value			21		1,785	£3,453,306
2.0 Development Cost						
2.1 Site Acquisition						
2.1.1	Residual Site Value					£591,945
				SDLT		£19,097
				Less Purchaser Costs	1.75%	£10,359
Net residual value						£562,489
2.2 Build Costs						
2.2.1	Private units Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m
			18	85	1,517	£843
			18		1,517	
2.2.2	Social rented Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m
			2	85	187	£843
			2		187	
2.2.3	Intermediate Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m
			1	85	80	£843
			1		80	
						£1,504,755
2.3 External works						
2.3.1	as percentage of build costs		15%			£225,713
						£225,713
2.4 Professional fees						
2.4.1	as percentage of build costs		8%			£120,380
						£120,380
2.5 Contingency						
2.5.1	Based upon percentage of construction costs		3%			£45,143
						£45,143
2.6 Site abnormals						
2.6.1	Remediation/ demolition		£0	per net ha		£0
						£0
2.7 Developer contributions						
2.7.1	s106 cost (a)		£4,500	per unit		£94,500
						£94,500
2.8 Sale cost						
2.8.1	Sales & Marketing cost		3.50%	private sale value		£111,518
2.8.2	Legals		£500	per private sale unit		£8,925
						£120,443
TOTAL DEVELOPMENT COSTS						£2,702,879
3.0 Developers' Profit						
3.1	Based upon percentage of private housing GDV		Rate	20%		£637,245
3.2	Based upon percentage affordable housing GDV		Rate	6%		£16,025
TOTAL PROJECT COSTS [EXCLUDING INTEREST]						£3,356,149
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]						£97,156
4.00	Finance Costs		APR	7.00%	PCM	0.565%
						£-97,156
TOTAL PROJECT COSTS [INCLUDING INTEREST]						£3,453,306

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Scenario **21 units** **Greenfield Small -standard**

Scheme summary

Net Site Area	0.60	Residual value	£575,648	per ha
No. of units	Total	Private	Affordable	
	21	18	3	15.00% percentage

1.0 Development Value

Value Zone 1		No. of units	Size sq.m	Total sq.m	£psm	Total Value
1.1	Private Units Houses	18	85	1,517	£1,900	£2,882,775
1.2	Social rented Houses	2	85	187	£903	£169,151
1.3	Intermediate Houses	1	85	80	£903	£72,493

Gross Development Value	21	1,785	£3,124,419
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2.0 Development Cost

2.1	Site Acquisition			
2.1.1	Residual Site Value			£359,130
		SDLT		£7,456
		Less Purchaser Costs	1.75%	£6,285
	Net residual value			£345,389

2.2 Build Costs

	No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
2.2.1 Private units Houses	18	85	1,517	£843	£1,279,042
2.2.2 Social rented Houses	2	85	187	£843	£157,999
2.2.3 Intermediate Houses	1	85	80	£843	£67,714
	21		1,785		£1,504,755

2.3 External works

2.3.1	as percentage of build costs	15%		Total Costs
				£225,713
				£225,713

2.4 Professional fees

2.4.1	as percentage of build costs	8%		Total Costs
				£120,380
				£120,380

2.5 Contingency

2.5.1	Based upon percentage of construction costs	3%		Total Costs
				£45,143
				£45,143

2.6 Site abnormals

2.6.1	Remediation/ demolition	£0	per net ha	Total Costs
				£0
				£0

2.7 Developer contributions

2.7.1	s106 cost (a)	£4,500	per unit	Total Costs
				£94,500
				£94,500

2.8 Sale cost

2.8.1	Sales & Marketing cost	3.50%	private sale value	Total Costs
				£100,897
2.8.2	Legals	£500	per private sale unit	Total Costs
				£8,925
				£109,822

TOTAL DEVELOPMENT COSTS				£2,459,443
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3.0 Developers' Profit

3.1	Based upon percentage of private housing GDV	Rate	20%	Total Costs
				£576,555
3.2	Based upon percentage affordable housing GDV	Rate	6%	Total Costs
				£14,499

TOTAL PROJECT COSTS [EXCLUDING INTEREST]				£3,050,497
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TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]				£73,923
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4.00	Finance Costs	APR	7.00%	PCM	0.565%	Total Costs
						-£73,923

TOTAL PROJECT COSTS [INCLUDING INTEREST]				£3,124,419
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Scenario		21 units		Brown/greenfield Small - standard			
Scheme summary							
Net Site Area	0.60	Residual value	£525,777	per ha			
No. of units	Total	Private	Affordable				
	21	18	3	15.00%	percentage		
1.0 Development Value							
Value Zone 1							
1.1	Private Units Houses		No. of units	Size sq.m	Total sq.m	£psm	Total Value
			18	85	1,517	£1,900	£2,882,775
			18		1,517		
1.2	Social rented Houses	70.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			2	85	187	£903	£169,151
			2		187		
1.3	Intermediate Houses	30.00%	No. of units	Size sq.m	Total sq.m	£psm	Total Value
			1	85	80	£903	£72,493
			1		80		
Gross Development Value			21		1,785		£3,124,419
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Residual Site Value						£327,041
				SDLT			£5,852
				Less Purchaser Costs	1.75%		£5,723
Net residual value							£315,466
2.2 Build Costs							
2.2.1	Private units Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			18	85	1,517	£843	£1,279,042
			18		1,517		
2.2.2	Social rented Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			2	85	187	£843	£157,999
			2		187		
2.2.3	Intermediate Houses		No. of units	Size sq.m	Total sq.m	Cost per sq.m	Total Costs
			1	85	80	£843	£67,714
			1		80		
							21
							1,785
							£1,504,755
2.3 External works							
2.3.1	as percentage of build costs		13%				Total Costs
							£188,094
							£188,094
2.4 Professional fees							
2.4.1	as percentage of build costs		8%				Total Costs
							£120,380
							£120,380
2.5 Contingency							
2.5.1	Based upon percentage of construction costs		3%				Total Costs
							£45,143
							£45,143
2.6 Site abnormals							
2.6.1	Remediation/ demolition		£100,000	per net ha			Total Costs
							£60,000
							£60,000
2.7 Developer contributions							
2.7.1	s106 cost (a)		£4,500	per unit			Total Costs
							£94,500
							£94,500
2.8 Sale cost							
2.8.1	Sales & Marketing cost		3.50%	private sale value			Total Costs
							£100,897
2.8.2	Legals		£500	per private sale unit			Total Costs
							£8,925
							£109,822
TOTAL DEVELOPMENT COSTS							£2,449,736
3.0 Developers' Profit							
3.1	Based upon percentage of private housing GDV		Rate	20%			Total Costs
							£576,555
3.2	Based upon percentage affordable housing GDV		Rate	6%			Total Costs
							£14,499
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£3,040,790
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£83,630
4.00 Finance Costs							
			APR	7.00%	PCM	0.565%	Total Costs
							-£83,630
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£3,124,419

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Appendix 6 – Off-site Affordable Housing Calculation

LONDON BOROUGH OF RICHMOND UPON THAMES
AFFORDABLE HOUSING SPD - ANNEXE A - COMMUTED SUM CALCULATION

REV A

Site Name: 12 Unit Redcar & Cleveland Example Asse	Date	Notes
Number of Units on proposed development	12	No.
Level of Affordable Housing required	15%	
Number of Affordable Units required	1.80	No.
Percentage Affordable Rented required	70%	
Number of Affordable Rented Units required	1.26	No.
Percentage Intermediate required	30%	
Number of Intermediate units required	0.54	No.
Less on Site provision		
Affordable Rented Units provided on site	0	No.
Net number of units of Affordable Rented off-site	1.26	No.
Intermediate Units provided on site	0	No.
Net number of Intermediate units off-site	0.54	No.

Off-Site Commuted Sum calculation

Affordable Rented									
Unit type	Off Site Provision	OMV £	Profit 20.00%	Net Total Cost	Rent per week	Mgt Charge 25.00%	Yield 6.00%	Capitalised Rent	Commuted Sum
1 Bed Flat	1.26	127,500	25,500	102,000	93.2	1,212	6.00%	60,580	52,189
2 Bed Flat			0	0		0	6.00%	0	0
3 Bed Flat			0	0		0	6.00%	0	0
2 Bed Hse			0	0		0	6.00%	0	0
3 Bed Hse			0	0		0	6.00%	0	0
4 Bed Hse			0	0		0	6.00%	0	0
5 Bed Hse			0	0		0	6.00%	0	0
Total	1.26							Total	52,189

Intermediate - Shared Ownership										
Unit type	Off Site Provision	OMV £	Profit 20.00%	Net Total Cost	Equity Rent 2.75%	Mgt Charge 6.50%	Yield 10.30%	Capitalised Rent	1st Tranche 30.00%	Commuted Sum
1 Bed Flat	0.54	127,500	25,500	102,000	2,454	160	10.30%	22,280	38,250	22,394
2 Bed Flat			0	0	0	0	10.30%	0	0	0
3 Bed Flat			0	0	0	0	10.30%	0	0	0
2 Bed Hse			0	0	0	0	10.30%	0	0	0
3 Bed Hse			0	0	0	0	10.30%	0	0	0
4 Bed Hse			0	0	0	0	10.30%	0	0	0
5 Bed Hse			0	0	0	0	10.30%	0	0	0
Total	0.54									22,394

Total Units	1.80							Total Commuted Sum	74,583
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LONDON BOROUGH OF RICHMOND UPON THAMES
AFFORDABLE HOUSING SPD - ANNEXE A - COMMUTED SUM CALCULATION

REV A

Site Name:	12 Unit Redcar & Cleveland Standard Zone	Date	Notes
Number of Units on proposed development	12	No.	
Level of Affordable Housing required	15%		
Number of Affordable Units required	1.80	No.	
Percentage Affordable Rented required	70%		
Number of Affordable Rented Units required	1.26	No.	
Percentage Intermediate required	30%		
Number of Intermediate units required	0.54	No.	
Less on Site provision			
Affordable Rented Units provided on site	0	No.	
Net number of units of Affordable Rented off-site	1.26	No.	
Intermediate Units provided on site	0	No.	
Net number of Intermediate units off-site	0.54	No.	

Off-Site Commuted Sum calculation

Affordable Rented									
Unit type	Off Site Provision	OMV £	Profit 20.00%	Net Total Cost	Rent per week	Mgt Charge 25.00%	Yield 6.00%	Capitalised Rent	Commuted Sum
1 Bed Flat	1.26	161,500	32,300	129,200	118	1,534	6.00%	76,700	66,150
2 Bed Flat			0	0		0	6.00%	0	0
3 Bed Flat			0	0		0	6.00%	0	0
2 Bed Hse			0	0		0	6.00%	0	0
3 Bed Hse			0	0		0	6.00%	0	0
4 Bed Hse			0	0		0	6.00%	0	0
5 Bed Hse			0	0		0	6.00%	0	0
Total	1.26							Total	66,150

Intermediate - Shared Ownership										
Unit type	Off Site Provision	OMV £	Profit 20.00%	Net Total Cost	Equity Rent 2.75%	Mgt Charge 6.50%	Yield 10.30%	Capitalised Rent	1st Tranche 30.00%	Commuted Sum
1 Bed Flat	0.54	161,500	32,300	129,200	3,109	202	10.30%	28,221	48,450	28,365
2 Bed Flat			0	0	0	0	10.30%	0	0	0
3 Bed Flat			0	0	0	0	10.30%	0	0	0
2 Bed Hse			0	0	0	0	10.30%	0	0	0
3 Bed Hse			0	0	0	0	10.30%	0	0	0
4 Bed Hse			0	0	0	0	10.30%	0	0	0
5 Bed Hse			0	0	0	0	10.30%	0	0	0
Total	0.54									28,365

Total Units	1.80							Total Commuted Sum	94,515
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LONDON BOROUGH OF RICHMOND UPON THAMES
AFFORDABLE HOUSING SPD - ANNEXE A - COMMUTED SUM CALCULATION

REV A

Site Name: 12 Unit Redcar & Cleveland Higher Zone	Date	Notes
Number of Units on proposed development	12	No.
Level of Affordable Housing required	15%	
Number of Affordable Units required	1.80	No.
Percentage Affordable Rented required	70%	
Number of Affordable Rented Units required	1.26	No.
Percentage Intermediate required	30%	
Number of Intermediate units required	0.54	No.
Less on Site provision		
Affordable Rented Units provided on site	0	No.
Net number of units of Affordable Rented off-site	1.26	No.
Intermediate Units provided on site	0	No.
Net number of Intermediate units off-site	0.54	No.

Off-Site Commuted Sum calculation

Affordable Rented									
Unit type	Off Site Provision	OMV £	Profit 20.00%	Net Total Cost	Rent per week	Mgt Charge 25.00%	Yield 6.00%	Capitalised Rent	Commuted Sum
1 Bed Flat	1.26	178,500	35,700	142,800	130.4	1,695	6.00%	84,760	73,130
2 Bed Flat			0	0		0	6.00%	0	0
3 Bed Flat			0	0		0	6.00%	0	0
2 Bed Hse			0	0		0	6.00%	0	0
3 Bed Hse			0	0		0	6.00%	0	0
4 Bed Hse			0	0		0	6.00%	0	0
5 Bed Hse			0	0		0	6.00%	0	0
Total	1.26							Total	73,130

Intermediate - Shared Ownership										
Unit type	Off Site Provision	OMV £	Profit 20.00%	Net Total Cost	Equity Rent 2.75%	Mgt Charge 6.50%	Yield 10.30%	Capitalised Rent	1st Tranche 30.00%	Commuted Sum
1 Bed Flat	0.54	161,500	32,300	129,200	3,109	202	10.30%	28,221	48,450	28,365
2 Bed Flat			0	0	0	0	10.30%	0	0	0
3 Bed Flat			0	0	0	0	10.30%	0	0	0
2 Bed Hse			0	0	0	0	10.30%	0	0	0
3 Bed Hse			0	0	0	0	10.30%	0	0	0
4 Bed Hse			0	0	0	0	10.30%	0	0	0
5 Bed Hse			0	0	0	0	10.30%	0	0	0
Total	0.54									28,365

Total Units	1.80							Total Commuted Sum	101,496
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Appendix 7 – Office Appraisal

161201 Commercial appraisal Office

SCHEME DETAILS - ASSUMPTIONS					
Office					
Floor areas:	NIA (sqm)	NIA (sqft)	Net to Gross %	GIA (sqm)	NIA (sqft)
area 1	500	5,382	85.0%	588.2	6,332
area 2	0	0	85.0%	0.0	0
area 3	0	0	85.0%	0.0	0
area 4	0	0	85.0%	0.0	0
area 5	0	0	85.0%	0.0	0
area 6	0	0	85.0%	0.0	0
total floor area	500	5,382	85.0%	588	6,332

GROSS DEVELOPMENT VALUE					
	sqft		£ psf	£	
area 1	5,382	@	12.00	64,583	
area 2	0	@		-	
area 3	0	@		-	
area 4	0	@		-	
area 5	0	@		-	
area 6	0	@		-	
Estimated Gross Rental Value per annum				64,583	
Yield capitalised rent		@	8.5%	759,805	
less Rent Free / Void allowance	6 months rent			(32,292)	
Purchasers costs		@	5.76%	(39,623)	687,891
GDV					687,891

DEVELOPMENT COSTS					
Initial Payments -					
Planning Application Professional Fees and reports					-
Statutory Planning Fees					(3,020)
Combined CIL	588 sqm @		£ psm		-
Site Specific S106/278					-
Construction Costs -					
Demolition and Site Clearance (allowance)	0.36 acres @		0 per acre		-
area 1	588.24 sqm @		1,310.00 psm		(770,588)
area 2	- sqm @		1,310.00 psm		-
area 3	- sqm @		1,310.00 psm		-
area 4	- sqm @		1,310.00 psm		-
area 5	- sqm @		1,310.00 psm		-
area 6	- sqm @		1,310.00 psm		-
External works	770,588 @		15%		(115,588)
Contingency	886,176 @		5%		(44,309)
Professional Fees	930,485 @		8%		(74,439)
Disposal Costs -					
Letting Agents Costs	64,583 ERV @		10.00%		(6,458)
Letting Legal Costs	64,583 ERV @		5.00%		(3,229)
Investment Sale Agents Costs	687,891 GDV @		1.00%		(6,879)
Investment Sale Legal Costs	687,891 GDV @		0.50%		(3,439)
Marketing and Promotion	687,891 GDV @		1.00%		(6,879)
Finance Costs -					
Finance Fees	1,034,829 @		1.00%		(10,348)
Interest (cashflow basis incl. land)	6.50% APR		0.526% pcm		(34)
Developers Profit	573,220 @		20.00%	on costs	
	687,891 @		16.67%	on GDV	(114,671)
TOTAL COSTS					(1,159,882)

161201 Commercial appraisal Office

RESIDUAL LAND VALUE			
Residual Land Value (gross)			(471,991)
SDLT (HMRC % rates)	- @		-
Acquisition Agent fees	- @	1%	-
Acquisition Legal fees	- @	0.5%	-
Interest on Land	- @	6.5%	-
Residual Land Value (net)			(471,991)

THRESHOLD LAND VALUE			
Site density	4,000	sqm per hectare	
Site Area	0.147	ha	0.36 acres
	4,000	sqm/ha	17,424 sqft/ac
Threshold Land Value	234,755	£ per ha	95,000 £ per acre
			34,521

BALANCE	
Surplus/(Deficit)	(506,512)
Surplus/(Deficit) per ha	(3,444,284)

Appendix 8 – Industrial Appraisal

161201 Commercial appraisal Industrial

SCHEME DETAILS - ASSUMPTIONS					
Industrial					
Floor areas:	NIA (sqm)	NIA (sqft)	Net to Gross %	GIA (sqm)	NIA (sqft)
area 1	200	2,153	100.0%	200.0	2,153
area 2	0	0	100.0%	0.0	0
area 3	0	0	100.0%	0.0	0
area 4	0	0	100.0%	0.0	0
area 5	0	0	100.0%	0.0	0
area 6	0	0	100.0%	0.0	0
total floor area	200	2,153	100.0%	200	2,153

GROSS DEVELOPMENT VALUE					
	sqft		£ psf	£	
area 1	2,153	@	4.50	9,688	
area 2	0	@		-	
area 3	0	@		-	
area 4	0	@		-	
area 5	0	@		-	
area 6	0	@		-	
Estimated Gross Rental Value per annum				9,688	
Yield capitalised rent		@	5.5%	176,137	
less Rent Free / Void allowance	6 months rent			(4,844)	
Purchasers costs		@	5.76%	(9,329)	161,964
GDV					161,964

DEVELOPMENT COSTS					
Initial Payments -					
Planning Application Professional Fees and reports					-
Statutory Planning Fees					(1,027)
Combined CIL	200 sqm @		£ psm		-
Site Specific S106/278					-
Construction Costs -					
Demolition and Site Clearance (allowance)	0.12 acres @		0 per acre		-
area 1	200.00 sqm @		604.00 psm		(120,800)
area 2	- sqm @		0.00 psm		-
area 3	- sqm @		0.00 psm		-
area 4	- sqm @		0.00 psm		-
area 5	- sqm @		0.00 psm		-
area 6	- sqm @		0.00 psm		-
External works	120,800 @		15%		(18,120)
Contingency	138,920 @		5%		(6,946)
Professional Fees	145,866 @		8%		(11,669)
Disposal Costs -					
Letting Agents Costs	9,688 ERV @		10.00%		(969)
Letting Legal Costs	9,688 ERV @		5.00%		(484)
Investment Sale Agents Costs	161,964 GDV @		1.00%		(1,620)
Investment Sale Legal Costs	161,964 GDV @		0.50%		(810)
Marketing and Promotion	161,964 GDV @		1.00%		(1,620)
Finance Costs -					
Finance Fees	164,064 @		0.00%		-
Interest (cashflow basis incl. land)	7.00% APR		0.565% pcm		(10)
Developers Profit	134,964 @		20.00%	on costs	
	161,964 @		16.67%	on GDV	(26,999)
TOTAL COSTS					(191,074)

161201 Commercial appraisal

Industrial

RESIDUAL LAND VALUE			
Residual Land Value (gross)			(29,110)
SDLT (HMRC % rates)	- @		-
Acquisition Agent fees	- @	1%	-
Acquisition Legal fees	- @	0.5%	-
Interest on Land	- @	7.0%	-
Residual Land Value (net)			(29,110)

THRESHOLD LAND VALUE			
Site density	4,000	sqm per hectare	
Site Area	0.050	ha	0.12 acres
	4,000	sqm/ha	17,424 sqft/ac
Threshold Land Value	234,755	£ per ha	95,000 £ per acre
			11,737

BALANCE	
Surplus/(Deficit)	(40,847)
Surplus/(Deficit) per ha	(816,947)