

**Surplus (Deficit) from Input land valuation at 15/9/2015****-347,785**

## HCA Development Appraisal Tool INPUT SHEET 1 - SITE DETAILS

### Basic Site Details

#### FULL VIABILITY ASSESSMENT

Site Address	Barnburgh Lane, Goldthorpe, Phase 2	
OS X coordinate	446649	
OS Y coordinate	403639	
Site Reference	Goldthorpe 2	
File Source		
Scheme Description	Erection of 61 family dwellings	
Date of appraisal	15/09/2015	
Gross Site Area (hectares)	1.93	
Net Residential Site Area (hectares)	1.62	
Author & Organisation	Gleeson Developments Ltd	
Local Planning Authority	Barnsley	
Land Purchase Price	350,000	
Land Purchase date	15/09/2015	
Most recent valuation of the site £	580,500	
Basis of valuation	Other -please note below	
Date of valuation	15/09/2015	
Any note on valuation	Benchmark value based on previous Gleeson phase, and similar developments locally	
Developer of sale units	Gleeson Developments Ltd	
Developer of affordable units		
Manager of affordable units		
Registered Provider (where applicable)		
Note on applicant (eg sub partner status)		



Date of scheme appraisal 15-Sep-15 from Site Sheet

Use any valid Excel Date format (eg DD/MM/YY)

Build Period	Construction Start Date	Construction End Date
Tenure phases display for date input only after transfer from Input 2 sheet		
OM 1:Phase 1	01-Mar-16	01-Aug-20


RP Purchase from Developer	Purchase start date	Purchase end date
AH phases display for date input only after transfer from Input 2 sheet		

Open Market Sale	Sale Start Date	Sale End Date
OM phases display for date input only after transfer from Input 2 sheet		
OM Sales1:Phase 1	01-Jun-16	01-Nov-20

Monthly Sales rate

1.15

Private Rental Units	First Rental Start Date	Final Rental Start Date
PR phases display for date input only after transfer from Input 2 sheet		

	Building Cost £ per Sq FT GROSS area	Net to Gross Adjustment	Maximum height in floors (flats only)	Avg Cost pu
Open Market Phase 1: Houses	72			58,207

**Fees & Contingencies as % of Building Costs**

	%	£ Total
Design and Professional Fees % (Architects, QS, Project Management)	3.90%	138,475
Residential Building Contingencies (% of Building Costs)	2.90%	102,968

\* This section excludes Affordable Housing section 106 payments

All dates must be between  
'Historic' costs incurred earlier may be entered as

15-Sep-15

10-Sep-35

15-Sep-15 PROVIDED they are not taken into account in the site valuation (& hence double co

**External Works & Infrastructure Costs (£)**

Phase 1	Comment on nature of issue	Cost (£)	Payment Start Date	Payment end date	Cost per unit (all tenures)
Site Preparation/Demolition		£8,925	01-Mar-16	01-Sep-16	146
Roads and Sewers		£520,454	01-Mar-16	01-Aug-20	8,532
Services (Power, Water, Gas, Telco and IT)		£154,000	01-Mar-16	01-Aug-20	2,525
Strategic Landscaping					
Off Site Works					
Public Open Space		£30,000	01-Mar-16	01-Mar-19	492
Site Specific Sustainability Initiatives					
Plot specific external works					
Other 1					
Other 2					

**Site Abnormals (£)**

	Comment on nature of issue	Cost (£)	Payment Start Date	Payment end date	Cost per unit (all tenures)
De-canting tenants					
Decontamination					
Abnormal Foundations		£154,800	01-Mar-16	01-Aug-20	2,538
Beam & Block		£76,250	01-Mar-16	01-Aug-20	1,250
Dealing with slopes		£66,000	01-Mar-16	01-Aug-20	1,082
Grouting		£191,000	01-Mar-16	01-Mar-18	3,131
Capping mine shaft		£25,000	01-Mar-16	01-Mar-18	410

Residential Car Parking Building Costs (average cost / car parking space)	Building Costs (£ / car parking space)	Payment Date

Total number of residential car parking spaces  (Open Market and Affordable)

<b>Statutory Payments (£)</b>	<b>Additional information</b>	<b>Cost (£)</b>	<b>Payment start date</b>	<b>Payment end date</b>	<b>Per unit</b>
Education					
Sport & Recreation					
Social Infrastructure					
Public Realm					
Affordable Housing					
Transport					
Highway					
Health					
Public Art					
Flood work					
Community Infrastructure Levy	per sq metre				
Other Tariff	per sq metre				
Other 1					
Other 2					
Other 3					
Other 4					

**OTHER COSTS**

SITE PURCHASE COSTS	%
Agents Fees (% of site cost)	0.00%
Legal Fees (% of site cost)	1.00%
Stamp Duty (% of site cost)	0.00%

<b>Other Acquisition Costs (£)</b>	<b>Comment on nature of issue</b>	<b>Cost (£)</b>	<b>Payment start date</b>	<b>Payment end date</b>

**FINANCE COSTS**

Arrangement Fee (£)	£0
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Interest Rate (%)	5.00%
Misc Fees - Surveyors etc (£)	£0
Credit balance reinvestment %	2.50%

**MARKETING COSTS**

Affordable Housing Marketing Costs

	Cost (£)	Payment start date	Payment end date
Developer cost of sale to RP (£)			
RP purchase costs (£)			
Intermediate Housing Sales and Marketing (£)			

Open Market Housing Marketing Costs

Sales Fees (agents fees & marketing fees) - %	4.00%
Legal Fees (per Open Market unit) - £	£0
Agents Private Rental Initial Letting fees - %	

**DEVELOPER'S OVERHEAD AND RETURN FOR RISK (before taxation)**

Developer O/head (£)	£498,837	Return at Scheme end
Open Market Housing (% GDV)	15.00%	22.0% <i>inc Overheads</i> 25,578 <i>per open market home</i>
Private Rental (% Cost)		
Affordable Housing (% Cost)		

## Scheme Results

'GLA toolkit' style Scheme Results

Site Reference Details	
Site Reference	Goldthorpe 2
Local Planning Authority	Barnsley
Registered Provider (where applicable)	0

Site Details	
Site Address	Barnburgh Lane, Goldthorpe
Scheme Description	Erection of 61 family dwellings

TOTAL NUMBER OF UNITS	
Dwellings	61

DENSITY (per hectare)	
Dwellings	37.7

REVENUES AND COSTS		
Total Scheme Revenues		7,076,283
Total Scheme Costs	7,521,962	

Contribution to Revenue from		
Market Housing		7,076,283
Affordable Housing		0
Social Rent	-	
Shared Ownership	-	
Affordable Rent	-	
Other Contributions		0
Non Residential Values		0

Contribution to Costs from		
Market Housing		3,653,601
Affordable Housing		0
Social Rent	-	
Shared Ownership	-	
Affordable Rent	-	
Other Construction costs		1,364,904
Planning Obligations		-
Fees		283,051
Non Residential Costs		-
Finance and Acquisition Costs		660,127
Developer's return for risk and profit		1,560,279

AFFORDABLE UNITS		
	Quantity	% all units
Total	0	0%
Social Rented	0	0%
Affordable Rent	0	0%
Shared Ownership	0	0%

Surplus/(Deficit) Present Value		
Whole Scheme	-	347,785
Per net hectare	-	214,682
Per dwelling	-	5,701
Per market dwelling	-	5,701

Alternative Site Value	
Other -please note below	580,500

## GOLDTHORPE PHASE 2 HCA VIAB COST BREAKDOWN

### Build Cost

Build cost has been set at £72.50/ sq ft, and should be considered to include all standard house build and preliminary costs, as is the standard for the HCA template.

This figure is based on a reduction from the generally accepted BCIS industry standard levels to reflect Gleeson's position within the market.

### External Works & Infrastructure Costs:

#### Site preparation/demolition:

Includes all costs associated with the following:

- Site strip £8,925
- **Total** **£8,925**

#### Roads and Sewers:

Includes all costs associated with the following:

- Highway construction £232,514
- Foul/surface water sewers £124,800
- Attenuation £120,300
- Sewer Connect & Form Access £6,000
- Extra Private Drives (15 @ £700) £10,500
- Extra/over cost for block paving (1,716sqm @ £15.35) £26,340
- **Total** **£520,454**

#### Services

Includes all costs associated with the following:

- Plot connections £152,500
- BT Boxes & Survey Fees £1,500
- **Total** **£154,000**

#### POS

Includes all costs associated with:

- Laying out of on-site POS/buffer zone £30,000
- **Total** **£30,000**

### Site Abnormals

### Abnormal Foundations

Includes all costs associated with the following:

• Short piles (30 No.)	£96,000
• Trench Fill (25 No.)	£40,500
• Basic gas membrane to all	£9,150
• E/o muckshift	£9,150
• <b>Total</b>	<b>£154,800</b>

### Beam and Block

Includes all costs associated with the following:

• Beam & Block floor to all plots	£76,250
• <b>Total</b>	<b>£76,250</b>

### Dealing with slopes

Includes all costs associated with the following:

• Steps in semi-detached blocks (under build)	£36,000
• Cut and fill	£30,000
• <b>Total</b>	<b>£66,000</b>

### Grouting

Includes all costs associated with the following:

• Grouting to northern part of site	£191,000
• <b>Total</b>	<b>£191,000</b>

### Capping mine shaft

Includes all costs associated with the following:

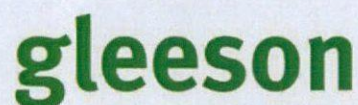
• Capping on-site mineshaft	£25,000
• <b>Total</b>	<b>£25,000</b>

### **Conclusion**

The viability test generates a 'deficit' of **-£347,785**, thereby indicating that there is no 'pot' available for planning gain, and that provision of planning gain for this development would therefore be unviable.

As no costs have been built into the test to account for Code for Sustainable Homes, or renewable energy provision, the test further proves that these items are also unviable for the development.

**Affordable Housing Statement:  
61 units at Barnburgh Lane,  
Goldthorpe**



Gleeson can confirm that last year more than 30% of all Gleeson Regeneration's sales were intermediate affordable housing units sold on a shared equity basis. These were either via "Help to Buy" or Gleeson's own shared equity sale scheme. These shared equity units are effectively sold "below market value" and therefore accord with the NPPF definition of intermediate affordable housing.

With this in mind Gleeson, as part of our section 106 offer, will make available a minimum of 9 No. (being 15% of all units) 2 and 3 bed semi-detached units via "Help to Buy" or Gleeson's own shared equity product. Based on "Help to Buy" the mortgage amount (after 5% deposit and 20% HCA equity) at this site would be around:

- £65,750 for a 2 bed unit
- £84,350 for a 3 bed unit

The above prices mean that a working couple earning the minimum wage can purchase a Gleeson 2 bed home with a very modest 3.5x earnings ratio, and an achievable deposit of £4,383. This equates to a monthly mortgage of around £350; truly affordable.

We are happy to offer nomination rights to the council in respect of these 9 units. We would expect such nominations to be to people currently living in the Council's rental stock (or the homes managed by an arm's length company which was previous Council housing). This way an additional 9 no. "social rented" units can be "freed up" for people to rent who, for whatever reason, cannot aspire to home ownership; even Gleeson's low cost home ownership product.

In respect of the remainder of the site, Gleeson pride themselves in delivering low cost homes and will make available a number of schemes that enable people on low incomes to purchase a new home. Unique to Gleeson Homes is our save and build scheme which fixes the price of the new home for a year and provides a savings scheme for the customer so they can accumulate a deposit. We have a range of other schemes which will also be available for customers, they are;

- Parents Invest – Parents provide up to 20% of the price of the home, and we pay them 5% interest per annum for 5 years on the investment.
- Advance to Buy – We offer to market their existing home through an estate agent and we will pay the stamp duty and £500 towards legal fees.
- Aspire to Own – We pay 5% deposit, valuation fees and £500 towards legal fees.
- Leaving Home – The parents guarantee the mortgage. Can result in a 5% deposit.
- First Rung – If the customer has saved the deposit we offer a "Designer Package" including carpets, curtains and light fittings.

Gleeson specialise in this provision of low cost 'home ownership' housing, delivering this product exclusively across our 40+ site in the north of England. On the whole LPA's embrace this model, which makes new home ownership possible for a portion of the population who otherwise simply would not be able to afford it. We would be more than happy to provide exemplar S106 extracts from a number of LPAs where our Gleeson Shared Equity/Help to Buy offer has been formally accepted as Affordable Housing provision, or our 'nomination rights' offer has been taken up.