

# **Financial Viability Assessment Report**

**Land off Dodworth Green Road, Dodworth, Barnsley,  
S75 3RR**

January 2023

## Executive Summary

Avison Young has been instructed to undertake a Financial Viability Assessment on behalf of Newett Homes. The assessment relates to the proposed development of the property known as Land off Dodworth Green Road, Dodworth, Barnsley, S75 3RR. The proposals are to form the basis of an application for full planning permission and comprise a new residential development of 51 dwellings.

The property which forms the subject of this report comprises of a broadly rectangular parcel of land situated to the east of Dodworth Green Road extending to 4.7 acres (1.90 ha) gross. This parcel of land will comprise all the proposed development and it is therefore referred to as 'the site' or 'the property' hereafter. At the present time, the site comprises mostly of undeveloped cleared land. There is also a watercourse running from the north west corner of the site to the south east. There is also a watercourse running along the southern boundary of the site.

Financial viability for planning purposes is defined within the RICS guidance note (GN94/2012) as 'An objective financial viability test of the ability of a development project to meet its costs including the cost of planning obligations, while ensuring an appropriate Site Value for the landowner and a market risk adjusted return to the developer in delivering that project. To improve clarity and accountability it is an expectation that any viability assessment is prepared with professional integrity by a suitably qualified practitioner and presented in accordance with National Planning Guidance. Practitioners should ensure that the findings of a viability assessment are presented clearly.

In this respect, we understand that this report is to be submitted to the Local Planning Authority (LPA) for due consideration in support of an application for full planning approval on the site. We confirm that we have undertaken all necessary due diligence to inform and support our assessment. We also confirm that we have taken full account of relevant published guidance in respect of the independent assessment of Financial Viability in Planning. This specifically includes the guidance note, Financial Viability in Planning, issued in 2012 by the RICS. Whilst not mandatory, adherence to RICS guidance notes is considered to represent 'Best Practice'. In addition, we have taken full account of the Financial Viability in Planning: Conduct and Reporting RICS Professional Statement dated May 2019, which contains mandatory requirements. We have also given due consideration to the Government's National Planning Policy Framework (NPPF). This framework was updated in July 2021 and includes the Planning Policy Guidance (PPG) for viability.

We have considered the financial viability of the proposed development by considering both the Existing Use Value of the site and the benchmark land value, in reference to evidence of comparable land transactions. We have also considered the level of return for the developer based on the proposed scheme.

In this respect, our assessment has identified the following outputs:

- Existing Use Value (EUV) - **£56,400**
- Minimum Benchmark Land Value - **£530,000**
- Developer's Profit with assumed policy compliant scheme (i.e. 30% affordable housing) **4.13% Profit on GDV**
- Developer's Profit with a 0% affordable housing content scheme **15.99% Profit on GDV**

We have appraised two scenarios in support of this viability assessment and in keeping with acceptable practice, have undertaken sensitivity analysis to identify the impact of these scenarios of the level of return for the developer. In each scenario, we have considered the viability of the proposed development based on an assumed policy compliant Section 106 Agreement scheme and a non-policy compliant scheme. In each scenario however, we have assumed the per dwelling monetary contribution in respect of additional Section 106 Agreement obligations, as advised by the Developer.

The report has been prepared and signed by Dai Powell MRICS, a Director and RICS Registered Valuer in the Avison Young Land and Development team. Input has also been provided, along with review and panelling by Joe Wherity MRICS, an Associate Director in the same team. We confirm that these individuals have the necessary qualifications, knowledge and experience to provide this advice.

We confirm that we believe that this report represents a robust independent assessment of the financial viability of the proposed development. We confirm that in completing this report, we have acted with objectivity, impartially, without interference and with reference to all appropriate sources of information.

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Appendix I	Letter of Instruction
Appendix II	Abnormal Costs Detailed Summary
Appendix III	Development Appraisal of Policy Compliant Scheme (15 affordable units)
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**Prepared By: Dai Powell MRICS, Director and RICS Registered Valuer.**

**Review and panelled by Joe Wherity MRICS, Associate Director.**

**Status: FINAL**

**Date: 19 January 2023**

**For and on behalf of Avison Young (UK) Limited**

# 1. Instructions

Avison Young has been instructed to undertake a Financial Viability Assessment of a proposed development on behalf of Newett Homes. A copy of our Letter of Instruction is attached at **Appendix 1**.

The assessment is concerned with the proposed redevelopment of the site known as Land off Dodworth Green Road, Dodworth, Barnsley, S75 3RR. The proposals are to form the basis of an application for full planning permission and comprise a new residential development of 51 dwellings. The proposed scheme will be a high-quality development, providing a collection of two, three and four bedroom properties, with a mixture of detached, and semi-detached dwelling types. The new development will be situated within the established residential area of Dodworth.

We understand that this report is to be submitted to the Local Planning Authority (LPA) for due consideration. In this respect, we confirm that we believe that it represents a robust independent assessment of the financial viability of the proposed development.

## Reliance

In preparing this assessment we confirm that we have relied upon the following documents which have been provided to us by Newett Homes, subject to the independent verification and scrutiny of details by ourselves where necessary: -

- Proposed scheme layout prepared by Newett Homes
- Proposed abnormal costs by Newett Homes
- Planning Case Report prepared by Johnson Mowat

In undertaking this assessment, it has been necessary to make various assumptions based on our own knowledge and experience of the Barnsley residential market and development sector. Any assumptions made, and the supporting rationale, are clearly stated within this report.

## Date of report

The date of the report is January 2023. However, it is important to note that in undertaking this report and the accompanying viability appraisals, it has been necessary to consider evidence, which is historical, as is the case when considering comparable evidence.

We confirm that this report is not provided as, and should not be regarded as, formal valuation advice in accordance with the latest edition of the Valuation – Global Standards effective from 31 January 2022 (the Red Book) as published by the Royal Institution of Chartered Surveyors. This report should not therefore be regarded or relied upon as formal valuation advice. It is provided to inform related parties on the financial viability of the proposed development and assist potential negotiations related to the proposed full planning application on the property and related considerations.

However, we confirm that we have undertaken all necessary due diligence to inform and support our assessment. We also confirm that we have taken full account of relevant guidance as published in respect of the independent assessment of Financial Viability in Planning. This specifically includes the guidance note, Financial Viability in Planning, issued in 2012 by the RICS (Ref. 1st Edition GN 94/2012). Whilst not mandatory, adherence to RICS Guidance Notes is considered to represent 'Best Practice'. In addition, we have taken full account of the Financial Viability in Planning: Conduct and Reporting, RICS Professional Statement dated May 2019, which contains mandatory requirements. We have also given due consideration to the Government's National Planning Policy Framework (NPPF) as referenced within both of the above documents. This framework was updated in July 2021 and includes the Planning Policy Guidance (PPG) for viability.

We confirm that in completing this report, no performance related or contingent fees have been agreed. We also confirm that we are not aware of any conflict or risk of conflict of interest which exists and prevents us from providing this advice.

## 2. Background

### Location and Situation

The site is located to the south of Dodworth. It is located east of Dodworth Green Road (B6449) and west of Strafford Walk.

Dodworth is served by an excellent road network with the B6449 providing links to the M1, via Whinby Road, which is approximately 0.6 miles north east of the subject site. Regular bus services run along Dodworth Green Road which provide connections to Penistone and Barnsley. Dodworth also benefits from a train station, which provides direct services frequently to Barnsley, Denby Dale and Sheffield where connections can be made to several national rail services. Dodworth train station is located approximately 0.3 miles west of the subject site.

The property is located to the east of Dodworth Green Road. It is situated in an established residential area in an 'edge of town' location and therefore benefits from a semi-rural aspect and position.

The immediate area around the site consists of primarily residential premises with some commercial premises also. To the west of the site is residential properties as well as The Travellers Inn. To the north and east of the site are residential properties. Immediately to the south is Ratten Row Woodland.

The location of the site is identified approximately on the plan below:

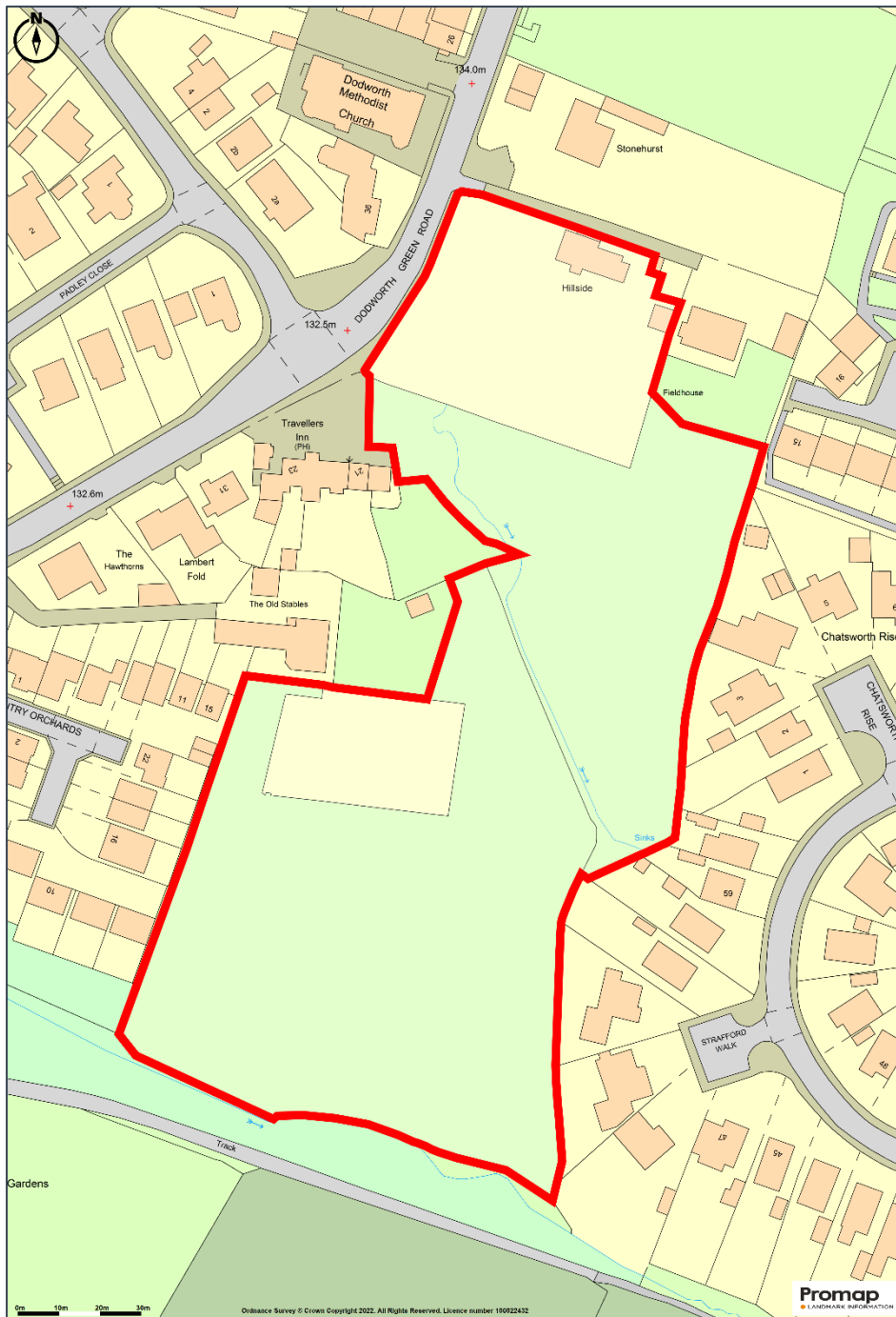


## Description

The property which forms the subject of this report comprises of a broadly rectangular shaped parcel of land situated to the east of Dodworth Green Road extending to 4.7 acres (1.90 ha) gross. We have used ProMap software to calculate the area based on the redline boundary supplied by Newett Homes.

The site consists of undeveloped cleared land. There is also a watercourse running from the north west corner of the site to the south east. There is also a watercourse running along the southern boundary of the site.

The net development area is shown outlined in red on the plan below:



The property is located within an established residential area. The site is bounded to the south by land in agricultural use. The site is bounded to the north and east by existing residential properties. The west of the site is bound by residential properties as well as The Travellers Inn on Dodworth Green Road. These properties back onto the site boundary.

The site is not located in a conservation area and there are no listed buildings on site.

## Title

We understand that Newett Homes (the 'Developer') does not currently own the freehold interest in the site. The property is held under two title numbers. The first (SYK155113) covers the majority of the subject site whilst the second title (SYK307549) covers a small portion of the north east of the subject site. We have not been provided with a Report on Title in respect of this interest. However, for the purposes of our appraisal, we have assumed that the Title is not affected by any encumbrances or restrictive covenants.

We understand that the property vacant possession of the property will be provided following completion of the sale.

## 3. Planning Context

Avison Young provides a detailed assessment of the National Planning Policy Framework ("the Framework"). This section of the report outlines those elements of the documentation that are relevant to the subject site and this report. We have relied upon a Planning Case Report compiled by the Developer's Planning Consultants for this.

### **National Planning Policy Framework (NPPF) (2019)**

The Framework was updated on 20 July 2021 and sets out the Government's planning policies for England and how these are expected to be applied. At the heart of the Framework is the "presumption in favour of sustainable development" which for decision-making means: -

- "approving development proposals that accord with an up-to-date development plan without delay; or
- where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date, granting permission unless:
  - I. the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed; or
  - II. any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies of this Framework taken as a whole". The Framework defines sustainable development as three overarching objectives: economic; social; environmental. Paragraph 9 of the Framework says that the objectives "should be delivered through the... application of [its] policies", but that "they are not criteria against which every decision can or should be judged".

The focus of the Framework is on the delivery of new houses. Indeed, it confirms at Paragraph 60 that Government's objective is "significantly boosting the supply of homes". To help achieve that objective, the Framework requires local planning authorities to do several things, including ensuring that there is always a specific five-year supply of deliverable housing sites (Paragraph 74). The Framework sets out how housing land supply should be calculated and sets out the implications for planning application decision-making where an LPA cannot demonstrate a five-year supply of deliverable housing land.

There is a focus towards early engagement with Local Planning Authorities by developers, which the applicant has sought to do prior to the submission of a formal planning application.

Of reference is paragraph 58, which states that: "Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available."

The Planning Practice Guidance ("the Guidance") provides greater detail regarding the inputs required in a Viability Assessment. We understand that in time this might lead to a standardised template, but that as yet has not been made available.

Regarding affordable housing, paragraph 65 states:

"Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development:

- a) provides solely for Build to Rent homes;
- b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);
- c) is proposed to be developed by people who wish to build or commission their own homes; or
- d) is exclusively for affordable housing, an entry-level exception site or a rural exception site."

## **Local Development Plan – Barnsley Local Plan (2019)**

The development plan applicable to this residential development is the Barnsley Local Plan which was adopted on 3 January 2019. The Local Plan is now the statutory development plan for Barnsley and has superseded the Barnsley Core Strategy and Unitary Development Plan. Planning applications must be determined in accordance with the development plan unless material considerations indicate otherwise.

### **Planning Permissions**

The subject site has an in-depth planning history relating to residential development, these are set out below under the relevant headings.

#### 2008/1688 – Residential Development including means of access (Outline)

An Outline application was submitted on 3rd November 2008 for the residential development of 12no. detached dwellings, including the demolition of one dwelling. At that time, garden land was deemed to be brownfield in PPS3 and the application debate was centred on the case that this was a brownfield site.

The application was refused 12th February 2009, on grounds relating to the greenfield use of the site and lack of need of housing. The decision was appealed on 5th March 2009 and subsequently allowed on 30th July 2009; however a subsequent Reserved Matters application was not forthcoming, and the planning permission therefore lapsed.

#### 2012/0162 – Residential development including means of access (Outline)

An Outline application was submitted on 16th February 2012 for the residential development of 51no. residential units. On 16th May 2012 the Council informed the applicant that they could not support the proposals due to highways and trees, and urged the applicant to withdraw the application. Subsequently, the application was withdrawn on 16th May 2012 in order for the outstanding issues to be addressed.

#### 2012/0797 – Erection of 51 no dwellings (Outline)

As indicated by the withdrawal of application ref. 2012/0162, a re-submission application was submitted on 9th July 2012 for a scheme which sought to address the earlier issues raised. This application was approved on 28th March 2013; however a subsequent Reserved Matters application was not forthcoming, and the planning permission therefore lapsed.

#### 2016/0268 – Residential development including means of access (Outline)

The most recent planning application for residential development was submitted on 16th March 2016 and sought approval for 51no. dwellings on the application site. This application was approved on 4th April 2018; however a subsequent Reserved Matters application was not forthcoming, and the planning permission therefore lapsed.

The planning history demonstrates that the principle of residential development has been accepted within this sustainable location with no technical constraints which would prevent the development of the site.

## **S.106 Contributions**

Details of the anticipated S106 contributions required as part of the pre-application response is as follows:

In accordance with Policy H7 contained within the Barnsley Local Plan, 30% of the proposed dwellings in the development would need to be provided as affordable housing. Local planning policy sets out the current required affordable housing tenure split as 70% affordable rent and 30% intermediate tenure. Stipulated transfer values within Barnsley's planning policy set out that affordable units are to be transferred at 50% of market value.

### Public Open Space

A contribution of £30,728 is stated to be required.

### Formal Recreation Space

A contribution of £50,285 is stated to be required.

### Sustainable Travel

A contribution of £38,732 is stated to be required.

### Biodiversity Net Gain

A contribution of £105,000 is stated to be required.

### Public Right of Way Improvements

We understand that the Developer and Council are currently negotiating a contribution in relation to this. We reserve the right to update our appraisal of the scheme once this contribution has been finalised.

## **Community Infrastructure Levy (CIL)**

Barnsley Council do not have a CIL schedule in place. It is noted that the Government have recently reiterated their intent to introduce a new Infrastructure Levy (IL) which will be intended, in time, to replace both CIL and S106 requirements.

## 4. Development Proposals

As detailed above, we have assumed that full planning approval has been obtained on these proposals for the purposes of our assessment.

The Developer has also provided us with a copy of their most recent accommodation schedule for the proposed development. We detail this below:

Reference	House Type Description	Area (sq ft)	Quantity	Total Area (sq ft)
N201	2 bed semi-detached 2 storey	761	8	6,088
N302	3 bed detached 2 storey	978	2	1,956
N302S	3 bed detached 2 storey	978	2	1,956
N303A	3 bed semi-detached 2 storey	998	7	6,986
SL03 ALT	3 bed semi-detached 3 storey	1,188	6	7,128
N306	3 bed detached 3 storey	1,431	2	2,862
N308	3 bed detached 2 storey	1,062	6	6,372
N313	3 bed semi-detached 2.5 storey	1,066	11	11,726
N400	4 bed detached 2.5 storey	1,350	3	4,050
N402	4 bed detached integral 2 storey	1,246	2	2,492
N403B	4 bed detached 2 storey	1,387	1	1,387
N405	4 bed detached integral 2 storey	1,538	1	1,538
<b>TOTAL</b>			<b>51</b>	<b>54,541</b>

The proposed site layout has been informed by the topography of the site as well as the surrounding setting. The proposed road provides access to the site from Dodworth Green Road and then turns south into the centre of the site to act as a spine road which services properties across the site. There is a mixture of properties serviced by highways and private drives.

The proposal aims to make a positive contribution to the area, creating desirable places to live. We provide a copy of the site plan below.



As previously detailed, the Local Planning Authority policy is for developments of this size and nature to deliver 30% mixed tenure affordable housing, where this can be supported. In our assessment of a policy compliant scheme, we have therefore assumed the following notional tenure split:

- Private dwellings – 36 dwellings – 41,547 sq ft
- Affordable dwellings – 15 dwellings – 12,994 sq ft

For the purposes of our policy compliant assessment, we have notionally assumed the following accommodation and tenure split.

House Type	House Type Description	Area (sq ft)	Quantity	Total Area (sq ft)
<b>AFFORDABLE DWELLINGS</b>				
N201	2 bed semi-detached 2 storey	761	8	6,088
N302	3 bed detached 2 storey	978	2	1,956
N303S	3 bed detached 2 storey	978	2	1,956
N303A	3 bed semi-detached 2 storey	998	3	2,994
<b>Total Affordable Dwellings</b>			<b>15</b>	<b>12,994</b>
<b>PRIVATE DWELLINGS</b>				
N303A	3 bed semi-detached 2 storey	998	4	3,992
SL03 ALT	3 bed semi-detached 3 storey	1,188	6	7,128
N306	3 bed detached 3 storey	1,431	2	2,862
N308	3 bed detached 2 storey	1,062	6	6,372
N313	3 bed semi-detached 2.5 storey	1,066	11	11,726
N400	4 bed detached 2.5 storey	1,350	3	4,050
N402	4 bed detached integral 2 storey	1,246	2	2,492
N403B	4 bed detached 2 storey	1,387	1	1,387
N405	4 bed detached integral 2 storey	1,538	1	1,538
<b>Total Private Dwellings</b>			<b>36</b>	<b>41,547</b>
<b>TOTAL OVERALL</b>			<b>51</b>	<b>54,541</b>

## 5. Approach to Financial Viability Assessment

To improve clarity and accountability it is an expectation that any viability assessment is prepared with professional integrity by a suitably qualified practitioner and presented in accordance with National Planning Guidance and industry guidance. Practitioners should therefore ensure that the findings of a viability assessment are presented clearly.

Financial viability for planning purposes is defined within the RICS guidance note (GN94/2012) as *'An objective financial viability test of the ability of a development project to meet its costs including the cost of planning obligations, while ensuring an appropriate Site Value for the landowner and a market risk adjusted return to the developer in delivering that project.'*

The assessment of financial viability is therefore an accepted principle in national planning policy, in the context of delivering development. Planning policy identifies Existing Use Value (EUV) as the starting point for assessing the uplift in value, or premium, which is required to incentivise the release of land. This must be considered having regard to the Site Value in the context of the development proposed. In this respect, the residual method is recognised as the basis for establishing Site Value in the context of a specific development proposal. It is therefore necessary to consider the EUV in addition to the Site Value supported by the scheme when considering any uplift in value and financial viability.

The residual method, recognises that the value of a development scheme is a function of several elements:

- the value of the completed development, also known as the gross development value (GDV);
- the direct costs of developing the property;
- the return to the developer for taking the development risk and delivering the scheme;
- the cost of any planning obligations, and
- the cost or value of the site

The residual method of valuation is typically used in two basic ways. In the first instance (option one) it can be used to assess the level of return (profit) generated from the proposed project where the cost of the land is an input into the appraisal. In the second option it can be used to establish a 'residual site value' by inputting a predetermined level of profit. The consequential outputs of options one and two can then be compared to a benchmark to assess the viability of the scheme.

For the purposes of this assessment, we have adopted the first option. This can be expressed through the simple calculation below:

**Gross Development Value (GDV) (minus) Total Costs (including Land Value) = Developer's Profit**

The approach is to value the completed development as proposed, the Gross Development Value (GDV), which in this instance includes the value of the private sale and the affordable dwellings. Construction costs including housing build, externals, infrastructure, professional fees, development abnormalities and sale fees, etc. are then deducted from the resulting GDV. The amount by which the GDV exceeds the total cost equates to a surplus. This surplus can be used to support developer's profit, land value and other contributions or allowances.

**Developer's Profit**

A key element of viability is to allow a risk adjusted market return to the developer. Without this there is no commercial justification to a developer investing money into a site. Profit can be considered a reflection of development risk. Paragraph 018 of PPG states that 15% to 20% of Gross Development Value may be considered a suitable return to developers.

In our opinion, Dodworth is a reasonably good housing market area. The site is situated in an attractive edge of town location, which benefits from a semi-rural position and aspect. However, there are several risks associated with the site such as significant levelling issues and watercourse running through the site as well as along the southern boundary of the site which have impacted on the amount of abnormal costs associated with the proposed development.

As a result, we would expect that a developer would require a profit of at least 17.50% on GDV to undertake a residential scheme on the subject site.

**Sensitivity Analysis**

We have appraised two scenarios in support of this assessment and in keeping with acceptable practice, have undertaken sensitivity analysis to identify the impact of these scenarios on the level of Developer's profit within the proposed scheme.

The first scenario considers the viability of the proposed development based on an assumed policy compliant Section 106 Agreement scheme. This assumes the provision of 30% mixed tenure affordable housing on site, together with an assumed per dwelling monetary contribution in respect of additional Section 106 Agreement obligations, as advised by Newett Homes.

The second scenario assumes a non-policy compliant scheme, providing zero affordable housing but still providing the assumed per dwelling monetary contribution, in respect of additional Section 106 Agreement obligations.

## Viability Assessment Approach

We have carried out this Viability Assessment on a desktop basis and have relied upon the information which has been supplied by the Developer, subject to our own independent assessment where necessary. We have also undertaken our own due diligence and applied our own knowledge and experience of the local market and development sector. This includes the assessment and interpretation of comparable evidence.

Our assessment of financial viability therefore considers the site's EUV and the Value of the Site, as supported by the proposed development. Typically, these values would be considered having regard to the level of premium that a landowner can reasonably be expected to require as an incentive to bring the site forward for the development intended, as defined by the guidance.

We have considered the EUV based on the site's existing use as amenity land. However, we believe it is also important to factor in the development potential of the subject site based on previous planning history, which includes past planning consent for a similar scheme, and the planning policy specific to the site. We are of the opinion that this potential is substantial and would impact significantly on what the landowner would view as being an acceptable price to accept for the subject site. Section 6 of this report discusses our opinion on the level of premium that might need to be applied to establish the benchmark land value.

Furthermore, our assessment of financial viability also seeks to address what would be considered as an appropriate level of profit for a developer to deliver this scheme in the market.

In undertaking this exercise, we have used the Argus Developer software package for assessing residual land value. This package is widely used within the development industry.

We are satisfied that the approach we have adopted reflects current industry guidance and practices.

## 6. Viability Analysis

As detailed above, we have approached our assessment of financial viability by considering the site's Existing Use Value (EUV), plus a premium to take account of the strong prospect of securing residential development on the subject site. We have also considered what would be an appropriate level of profit or risk adjusted return for a developer to deliver this scheme in the market. We comment on each of these areas in turn, as follows:

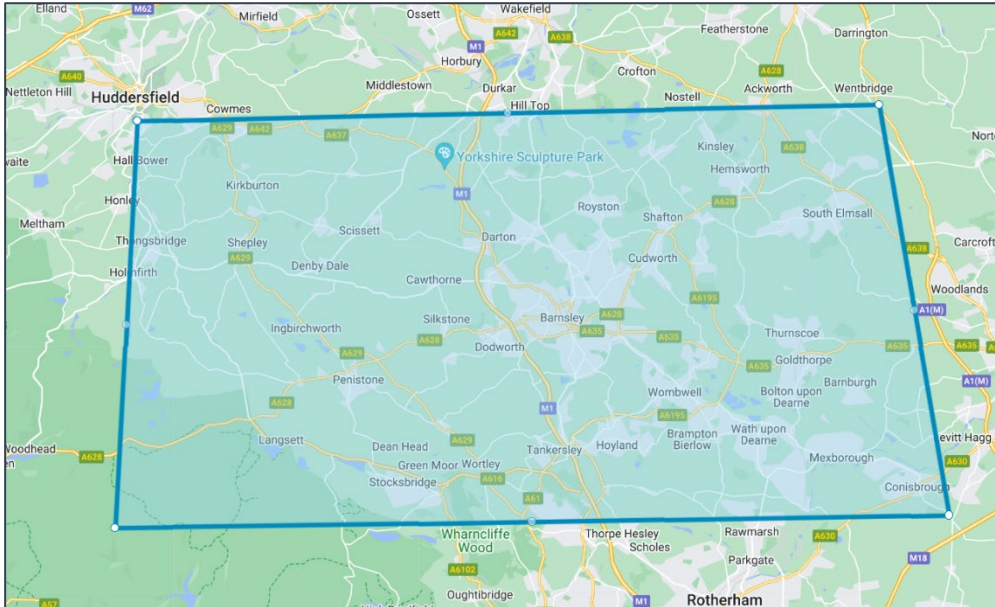
### Existing Use Value (EUV)

As the subject site currently comprises informal amenity / agricultural land to establish the Existing Use Value, we have, in the first instance, considered comparable land transactions in the vicinity, for sites which have sold as informal amenity land.

We detail our evidence of relevant land transactions below:

Address	Size	Price	Date of Sale	Comments
Land at Silkstone Lane, Barnsley	5.19 acres (2.1 ha)	Guide Price £50,000 £70,000 (£9,634 - £13,487 per acre)	Auction Date - Jun-2022	<ul style="list-style-type: none"> <li>• Agricultural grazing land situated approximately 2 miles north west of the subject site.</li> <li>• Auction date Jun-22</li> </ul>
Land at Lumb Lane, Almondbury, Huddersfield	8.4 acres (3.4 ha)	£163,000 (£19,405 per acre)	Apr-2019	<ul style="list-style-type: none"> <li>• Agricultural grazing land situated approximately 11 miles north west of the subject site.</li> <li>• Sold at auction</li> </ul>
Land at Thurgoland, Sheffield, South Yorkshire	7.15 acres (2.89 ha)	£83,000 (£11,608 per acre)	Oct-2018	<ul style="list-style-type: none"> <li>• Agricultural grazing land situated approximately 2 miles south west of the subject site.</li> <li>• Sold at auction</li> </ul>
Land off Cowcliff Hill Road, Hepworth, Holmfirth	4.52 acres (1.83 ha)	£56,000 (£12,389 per acre)	Sep-2018	<ul style="list-style-type: none"> <li>• Agricultural grazing land situated approximately 10 miles west of the subject site.</li> <li>• Sold at auction</li> </ul>
Land off Broadstone Road, Cumberworth, Huddersfield	26.27 acres (10.63 ha)	£370,000 (£14,085 per acre)	Jun-2018	<ul style="list-style-type: none"> <li>• Agricultural grazing land situated approximately 8 miles north west of the subject site.</li> <li>• Sold at auction</li> </ul>
Land at Sheffield Road, Holmfirth	3 acres (1.21 ha)	£25,000 (£8,333 per acre)	Sep-2016	<ul style="list-style-type: none"> <li>• Agricultural grazing land situated approximately 9 miles west of the subject site.</li> <li>• Sold at auction</li> </ul>
Land at Scholes Moor Road, Holmfirth	4.02 acres (1.63 ha)	£40,000 (£9,950 per acre)	Sep-2015	<ul style="list-style-type: none"> <li>• Agricultural grazing land situated approximately 10 miles west of the subject site.</li> <li>• Sold at auction</li> </ul>
Land at Yewtrees Farm, Bolsterstone, Sheffield	15.36 acres (6.22 ha)	£124,000 (£8,073 per acre)	Sep-2014	<ul style="list-style-type: none"> <li>• Agricultural grazing land situated approximately 7 miles south west of the subject site.</li> <li>• Sold at auction</li> </ul>
Land at Slack Lane, South Hindley, Barnsley	3.5 acres (1.42 ha)	£39,000 (£11,143 per acre)	Mar-2014	<ul style="list-style-type: none"> <li>• Agricultural grazing land situated approximately 6 miles north east of the subject site.</li> <li>• Sold at auction</li> </ul>

There is a lack of recent transactional evidence for informal amenity / agricultural land in the vicinity of the subject site. Due to this we have expanded the search radius significantly and criteria to obtain evidence of agricultural grazing land as well as paddock land across a wider area. We have included a map of the search area below:



The transactional evidence obtained for agricultural grazing land in the search area of the subject site ranges between £8,000 - £19,000 per acre. We believe that the sale price for land at Thurgoland and the guide price for land at Silkstone Lane provide the most useful comparable evidence due to the proximity of these sites. The sale price of the land at Lumb Lane seems particularly high. Based upon the comparable evidence and our experience we would normally expect agricultural land values to be in the region of £10,000 - £13,000.

Considering the location of the subject site, the specific site characteristics and the comparable evidence listed above, we consider the agricultural/amenity value of the site to be in the order of **£12,000 per acre**.

## Benchmark Land Value

Para 013 of the PPG provides guidance on the issue of benchmark land values and states that:

“A benchmark land value should be established based on the Existing Use Value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called ‘Existing Use Value plus (EUV+)’

In determining the benchmark land value, PPG states at Para 014 what factors should be considered when establishing the benchmark land value. It states that the benchmark land value should:

- Be based upon Existing Use Value (EUV);
- Allow for a premium to landowners;
- Reflect the implications of abnormal costs; site specific infrastructure costs; and professional fees; and
- Be informed by market evidence including current uses, costs and values. Where recent market evidence is used to inform assessment of benchmark land value this evidence should be based on developments which are compliant with policies, including for affordable housing. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

We are of the opinion that the premium for the landowner would be dictated by the potential of the subject site for residential redevelopment, based on the site's planning history and the planning status of the site.

In terms of planning status, the site is designated as 'Urban Fabric', land within a settlement with no specific allocation, within the adopted Barnsley Local Plan. Two schemes comprising of 51 units have previously gained planning consent on the site in 2013 and 2018 (application reference number: 2012/0797 and 2016/0268), however both consents have since lapsed.

In line with PPG guidance, we have made reasonable endeavours to obtain the full transaction details of the evidence below and where appropriate, identified any adjustments necessary to reflect the cost of policy compliance (including affordable housing), or differences in the quality of land and site scale.

It should be noted certain information can be difficult to verify first-hand, given the lack of transparency within the residential sector, compared to other sectors. Also, each site and each development proposal have specific characteristics and factors which impact on value.

We detail our evidence of relevant land transactions below:

Address	Developer	Size	Price	Date of Sale	Comments
Land at Darley Avenue, Worsbrough, Barnsley	Sold at auction	0.4 acres (0.16 ha)	£195,000 (£487,500 per acre)	Apr-2022	Former grazing land which was sold at auction with planning consent for residential development.
Land lying to the north of Halifax Road, Thurgoland	Arncliffe Homes - Elmhist Farm	2.6 acres (1.05 ha)	£835,000 (£321,154 per acre)	Dec-2020	Former grazing land which was allocated for residential land in the local plan.
Land on the north-east side of The Balk, Walton, Wakefield	LIFeStyle by Engie - Waterton Green	9.6 acres (3.88 ha)	£2,045,774 (£213,101 per acre)	Jan-2018	Former grazing land which was allocated as a protected area of search.

Address	Developer	Size	Price	Date of Sale	Comments
Mount Vernon Hospital, Mount Vernon Road, Barnsley	Orion Homes – Mount Vernon Hospital	6.60 acres (2.67 ha)	£1,500,000 (£227,272 per acre)	Apr-2021	S.106 contributions included an education contribution as well as a Public Open Space contribution. As part of the signed S.106 the developer was required to pay a commuted sum of £193,180 in a location where there is a policy requirement of 10% affordable housing. We are also aware that there was £715,014 of abnormal costs associated with the site.
Scotgate Road, Honley, HD9 6RE	Barratt David Wilson – Scotgate Ridge	8.2 acres (3.32 ha)	£5,400,000 (£658,536 per acre)	Dec-2020	Former agriculture land allocated for residential land. The land was bought via an option agreement with a reduction from market value of 5% and planning costs of approximately £200,000.
Land on the south side of Lidgett Lane, Tankersley, Barnsley	Avant Homes – St Pauls Bank	2.23 acres (0.9 ha)	£1,440,000 (£645,740 per acre)	Jul-2020	Former grazing land which was allocated as safeguarded land in the UDP. S.106 contributions included an education contribution as well as a Public Open Space contribution. As part of the signed S.106 the developer was required develop 3 affordable dwellings on the site (6% provision) as well as to pay a commuted sum of £284,539.
Land on the north west side of Lee Lane, Royston, Barnsley	Barratt David Wilson – Notton Wood View	13.22 acres (5.35 ha)	£3,500,000 (£264,750 per acre)	Mar-2018	S.106 contributions included primary education contribution and off-site formal recreation space. As part of the signed S.106 the developer was required to provide a 10% affordable housing provision which is in line with local planning policy in this area. We are also aware that there was £2,924,000 of abnormal costs associated with the site.

Address	Developer	Size	Price	Date of Sale	Comments
Pilling Lane, Scissett, HD8 9JF	Redrow Homes – Langley Grange	16.22 acres (6.6 ha)	£7,500,000 (£462,392 per acre)	Jan-2018	<p>S.106 contributions included education and off-site public open space.</p> <p>As part of the signed S.106 the developer was required to provide 20 affordable dwellings on the site (15% provision) including 3 intermediate dwellings and 27 social rented dwellings.</p> <p>We have been informed by the developer that there were £3,700,000 abnormal costs associated with the site.</p>
Land lying to the southeast of Dearne Hall Road, Barugh Green, Barnsley	Barratt David Wilson – Lock Keepers Gate	23.96 acres (9.7 ha)	£3,500,000 (£146,077 per acre)	Jun-2016	<p>S.106 contributions included a primary education contribution.</p> <p>As part of the signed S.106 the developer was required to provide only a 10% affordable housing provision in the context of a policy requirement of 20% affordable housing provision.</p> <p>We are aware that the abnormal costs on this scheme totalled £3,899,000.</p>
Land south of Darton Lane, Mapplewell, Barnsley	Harron Homes – Lavender Fold	12.83 acres (5.19 ha)	£5,360,000 (£417,770 per acre)	May-2016	<p>The developer did not pay any S.106 costs as these were met by the vendor.</p> <p>As part of the signed S.106 the developer was required to provide only a 10% affordable housing provision in the context of a policy requirement of 25% affordable housing provision.</p> <p>We are aware that the abnormal costs on this scheme totalled £2,020,000.</p>
Land on the north-west side of Carr Green Lane, Mapplewell, Barnsley	Avant Homes – Maple Tree Park	14.12 acres (5.71 ha)	£5,280,000 (£373,938 per acre)	Mar-2016	<p>The developer did not pay any S.106 costs as these were met by the vendor.</p> <p>As part of the signed S.106 the developer was required to provide only a 10% affordable housing provision in the context of a policy requirement of 25% affordable housing provision.</p> <p>We are aware that the abnormal costs on this scheme totalled approximately £2,000,000.</p>

We consider that the transactions made for Orion Homes scheme at Mount Vernon Hospital, Harron Homes' Lavender Fold scheme, the Avant Homes Maple Tree scheme and the Barratt Homes' Notton Wood View scheme provide useful reference points in terms of the benchmark land value of the subject site, given the location and quality of these developments, albeit some of these transactions are now relatively historic.

The Notton Wood View development by Barratt Homes is situated approximately 4.5 miles north east of the subject site. The site extends to approximately 5.35 hectares (13.22 acres) and comprises of 164 new build residential dwellings. We understand that the site was purchased in 2018 for £3,500,000, which devalues to circa £264,750 per acre. We are aware that the abnormal costs on this site totalled £2,924,000, equating to £221,180 per acre. We are informed that this site delivered a policy compliant provision of affordable housing of 10%. The developer also paid a Primary Education contribution of £217,774 and a formal recreation off site contribution of £164,009.

We would consider this site to also be a relevant land comparable. However as Dodworth is a more valuable housing market area and due to recent growth in both the local housing market and the housing land market, it may be argued that land in Dodworth could be more valuable now.

The Orion Homes development at Mount Vernon Hospital is located 2 miles east of the subject site and provides 70 new build residential units in Worsbrough. The site extends approximately 2.67 hectares (6.6 acres). We understand that the site was purchased in 2021 for £1,500,000 which devalues to circa £227,272 per acre. We are aware that the abnormal costs on this totalled £715,014 which equates to £108,335 per acre. We are also aware that the site did not deliver any on-site affordable housing but instead paid a commented sum of £193,180 in a location where there is a policy requirement for a 10% provision of affordable housing. The developer also paid an education contribution of £416,000, a public open space contribution of £134,478 as well as a sustainable travel contribution of £52,500.

We consider this site to also be an appropriate land comparable due to proximity of this scheme to the subject site and the recency of this transaction. The subject site is in a significantly more valuable housing market area than the Orion Homes development and this would be reflected in the price paid for the site.

The Avant Homes and Harron Homes developments in Mapplewell are within the same site and were sold to the parties once the site gained full planning consent in 2015 (ref: 2014/0452). The Avant Homes Maple Tree Park development is located approximately 2.9 miles north east of the subject site. The site extends to approximately 5.71 hectares (14.12 acres) and provides 174 new homes. We understand that the site was purchased in 2016 for £5,280,000. This devalues to circa £373,938 per acre. We are aware that the abnormal costs on this site totalled circa £2,000,000, equating to £350,263 per acre. From our conversations with the developer, we have been informed that the development delivered only a 10% on-site affordable housing provision against a policy requirement of 25% affordable housing.

This development shares a similar micro-location to the subject property as it is situated in an established residential area in an 'edge of town' location and therefore also benefits from a semi-rural aspect and position. Based upon our knowledge of the market, we consider Mapplewell to be a similar value housing market area as Dodworth, however due to recent growth in both the local housing market and the housing land market, it may be argued that land in Dodworth could be more valuable now.

The Lavender Fold scheme developed by Harron Homes is located approximately 3 miles north east of the subject site in Mapplewell and provides 141 new homes. The site extends to approximately 5.19 hectares (12.83 acres) and was purchased in 2016 for £5,360,000. This devalues to circa £417,770 per acre. From our conversations with the developer, we are aware that the abnormal costs on this totalled £2,020,000 which equates to £157,443 per acre. In addition, we are also aware that the development delivered only a 10% on-site affordable housing provision against a policy requirement of 25% affordable housing.

We consider this transaction to be an appropriate land comparable due to this site also occupying an 'edge of town' location and therefore also benefits from a semi-rural aspect and position. Based upon our knowledge of the market, we consider Mapplewell to a similar value housing market area as Dodworth, however due to recent growth in both the local housing market and the housing land market, it may be argued that land in Dodworth could be more valuable now.

Based on the location of the site, the specific site characteristics and the comparable evidence listed above, we consider the residential land value of the subject site, assuming it had planning consent for the scheme Newett Homes are proposing, to be in the order of **£450,000 per acre**.

However, although the potential for residential development is reasonable, due to the subject site having gained planning consent for similar schemes of 51 units in 2013 and 2018 (application reference number: 2012/0797 and 2016/0268), we acknowledge that both of these planning consents have since lapsed, and the site is currently not allocated for housing.

These features impact our assessment of the premium payable when calculating the benchmark land value. Our estimate of an appropriate benchmark land value is **£112,500 per acre**. This equates to circa ten times the likely existing use value of the land in its current form assuming no prospects of securing higher value alternative use on the site. This is a discount of circa 75% from our view of the current alternative use value of the site, assuming planning permission is in place for comprehensive residential development scheme such as that proposed by Newett Homes, setting aside any potential abnormal costs.

We consider a benchmark land value of **£528,750 (say, £530,000)** to be appropriate for the subject site. Accordingly, we have inserted a fixed benchmark land value of £530,000 into our development appraisal assessing the financial viability of the proposed scheme.

### **Residual Site Value – Proposed Development of 51 Residential Dwellings**

We have appraised the proposed development using the Argus Developer software. The appraisal represents an analysis of the development intended where the developer profit is the residual element derived from several variables, predominantly gross development value, land value and total development costs including fees and finance. We detail our assessment of each of these variables in respect of the development proposed as follows:

#### **Comparable Residential Sales Values**

To assess the likely sales values achievable at the subject site, we have undertaken research into the new homes market in Dodworth. We consider the most comparable schemes are set out below:

### Persimmon Homes, Oakland Gardens - Wilthorpe Road, Wilthorpe, Barnsley S75 1JR

This Persimmon Homes scheme is situated approximately 2 miles north east of the subject site. The Oakland Gardens development contains 326 units providing a collection of two, three- and four- bedrooms homes which includes a mixture of detached, semi-detached and terraced house types.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

Address	House Type	Area (sq ft)	Sale Price	Price per sq ft	Sale Date
40 Eagle Avenue	Detached	947	£230,000	£243	Dec-21
44 Kestrel Avenue	Detached	936	£225,000	£240	Apr-21
34 Eagle Avenue	Detached	1,076	£239,950	£223	Mar-21
58 Kestrel Avenue	Detached	1,162	£240,000	£206	Mar-21
36 Kestrel Avenue	Semi-detached	979	£170,000	£174	Mar-21
34 Kestrel Avenue	Semi-detached	1,065	£170,000	£160	Dec-20
38 Kestrel Avenue	Semi-detached	979	£175,000	£179	Dec-20
52 Kestrel Avenue	Detached	1,065	£240,000	£225	Dec-20
40 Kestrel Avenue	Semi-detached	1,065	£175,000	£164	Dec-20
30 Kestrel Avenue	Detached	936	£220,000	£235	Nov-20
42 Kestrel Avenue	Detached	936	£240,000	£256	Nov-20
18 Kestrel Avenue	Detached	1,162	£235,000	£202	Nov-20
24 Buzzard Way	Detached	1,205	£234,950	£195	Oct-20
26 Kestrel Avenue	Semi-detached	742	£165,000	£222	Sep-20
20 Kestrel Avenue	Detached	1,076	£235,000	£218	Sep-20
22 Kestrel Avenue	Detached	947	£210,000	£222	Sep-20
24 Kestrel Avenue	Detached	1,076	£225,000	£209	Sep-20
<b>Average</b>				<b>£210</b>	

The Oakland Gardens development provides useful comparable evidence as it is the closest new build development, we have been able to collect recent transactional evidence from. We consider that the scheme is located within a less valuable housing market area than the subject property. Due to this, as well as recent growth in the local housing market we would expect the proposed units on the subject site to achieve higher capital values per sq ft in comparison to this scheme.

### Barratt Homes, Lock Keepers Gate – Barnsley Road, Barugh Green, Barnsley S75 1LS

The Barratt Homes scheme is situated 2.2 miles north east of the subject site. The development comprises of 170 units including a mixture of three- and four- bedroom units which comprises of a mixture of detached, semi-detached and terraced homes.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

Address	House Type	Area (sq ft)	Sale Price	Price per sq ft	Sale Date
35 Dearne Hall Lane	Detached	1,065	£298,995	£281	Mar-22
2 Millers Grove	Semi-detached	850	£247,995	£292	Jan-22
14 Millers Green	Detached	990	£248,995	£251	Mar-21
4 Millers Green	Detached	1,270	£310,995	£245	Jan-21
38 Millers Grove	Semi-detached	957	£194,746	£203	Dec-20
5 Millers Green	Detached	1,270	£293,520	£231	Dec-20
8 Millers Green	Detached	1,270	£309,995	£244	Nov-20
2 Millers Green	Semi-detached	828	£184,995	£223	Oct-20
50 Dearne Hall Lane	Detached	1,151	£249,995	£217	Oct-20
44 Millers Grove	Terraced	828	£181,995	£220	Oct-20
46 Millers Grove	Terraced	828	£181,995	£220	Oct-20
40 Millers Grove	Semi-detached	828	£189,995	£229	Sept-20
1 Millers Green	Detached	957	£207,995	£217	Sept-20
3 Millers Grove	Detached	1,151	£254,995	£221	Aug-20
48 Millers Grove	Semi-detached	957	£207,995	£217	Aug-20
25 Millers Grove	Detached	1,205	£272,945	£226	Aug-20
<b>Average</b>				<b>£234</b>	

We consider this scheme to be a useful comparable to the subject site as it occupies a similar 'edge of town' location. We consider that this scheme is in a more valuable housing market area than the subject site and therefore we consider that recent sales evidence at this scheme is likely to be more valuable than the capital values per sq ft that we would expect to achieve at the proposed scheme on the subject site. However, due to recent growth in the local housing market we believe that the proposed units at the subject site would achieve higher capital values per sq ft than the more historic sales evidence collected here – say that from 2020.

### David Wilson Homes, Castle Vale – New Road, Tankersley, S75 3FJ

Situated circa 3.3 miles to the south east of the subject site is David Wilson Homes' Castle Vale scheme. This development provides 56 new build dwellings offering a range of two, three, four- and five-bedrooms dwellings.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

Address	House Type	Area (sq ft)	Sale Price	Price per sq ft	Sale Date
31 St Pauls Way	Detached	1,700	£409,995	£241	Mar-20
29 St Pauls Way	Detached	1,539	£379,995	£247	Mar-20
21 St Pauls Way	Detached	1,539	£379,995	£247	Mar-20
19 St Pauls Way	Detached	1,593	£339,995	£213	Feb-20
33 St Pauls Way	Detached	1,593	£409,995	£257	Feb-20
6 St Pauls Way	Detached	1,593	£399,995	£251	Feb-20
<b>Average</b>				<b>£243</b>	

We consider this scheme by David Wilson Homes to be located within a significantly more valuable housing market area. Therefore, we would expect the similarly sized proposed units at the subject site to achieve lower capital values per sq ft in comparison to this scheme.

### Avant Homes, Maple Tree Park – Carr Green Lane, Mapplewell, S75 6DY

The Avant Homes' Maple Tree Park development is situated directly south of Harron Homes' Lavender Fold scheme, which is summarised below. This development is situated approximately 2.9 miles north east of the subject site in Mapplewell and provides 174 new homes with a range of two, three- and four-bedrooms homes, offering a range of detached, semi-detached and terraced house types.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

Address	House Type	Area (sq ft)	Sale Price	Price per sq ft	Sale Date
11 Collier Way	Detached	1,205	£279,950	£232	Jan-20
9 Collier Way	Semi-detached	1,001	£210,950	£211	Jan-20
7 Collier Way	Semi-detached	1,001	£210,950	£211	Jan-20
3 Collier Way	Detached	1,011	£219,950	£217	Jan-20
15 Collier Way	Detached	1,205	£286,950	£238	Jan-20
<b>Average</b>				<b>£222</b>	

We consider the Maple Tree Park development to provide reasonable comparable evidence, given it possess a similar micro-location to the subject site as this development also occupies an 'edge of town' location. Although the subject site is in a similar value housing market area as the subject site, we consider that the proposed units on the subject site would achieve higher capital values per sq ft due to recent growth in the local housing market.

### **Harron Homes, Lavender Fold – Carr Green Lane, Mapplewell, S75 6DY**

Lavender Fold by Harron Homes is development consisting of 141 new residential units comprising of a mixture of two, three- and four- bedroom properties located in Mapplewell, circa 3 miles to the north east of the subject site. The development contains a mixture of detached and semi-detached units.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

Address	House Type	Area (sq ft)	Sale Price	Price per sq ft	Sale Date
65 Lidgett Road	Detached	1,323	£299,995	£227	Nov-20
63 Lidgett Road	Detached	1,463	£260,995	£178	Nov-20
3 Highwall Court	Detached	1,313	£299,995	£228	Oct-20
82 Lidgett Road	Detached	1,323	£296,995	£224	Oct-20
2 Lidgett Road	Detached	1,323	£296,995	£224	Oct-20
84 Lidgett Road	Detached	1,463	£257,995	£176	Sep-20
86 Lidgett Road	Detached	1,323	£299,995	£227	Sep-20
5 Highwall Court	Detached	1,237	£280,995	£227	Aug-20
1 Highwall Court	Detached	1,140	£264,995	£232	Jul-20
6 Lidgett Road	Detached	1,140	£270,000	£237	Jul-20
<b>Average</b>				<b>£218</b>	

The scheme is in a similar. On balance, we consider that the proposed development at the subject site would likely achieve higher average capital value per sq ft across the scheme due to recent growth in the local housing market.

### **Barratt Homes, Notton Wood View – Lee Lane, Royston, S71 4RT**

This development is situated approximately 4.5 miles north east of the subject site in Royston. This 164 unit scheme has now been built out in full. The scheme comprises of a range of detached, semi-detached and terraced homes offering two, three- and four- bedrooms homes.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

Address	House Type	Area (sq ft)	Sale Price	Price per sq ft	Sale Date
44 Railway Walk	Terraced	1,280	£237,496	£185	Feb-21
38 Railway Walk	Detached	1,076	£266,995	£248	Dec-20

Address	House Type	Area (sq ft)	Sale Price	Price per sq ft	Sale Date
35 Parish Road	Detached	861	£212,995	£247	Aug-20
42 Parish Road	Semi-detached	775	£182,995	£236	Aug-20
31 Parish Road	Semi-detached	828	£187,995	£227	Jul-20
29 Parish Road	Detached	1,108	£259,995	£235	Jul-20
27 Parish Road	Detached	1,076	£256,995	£239	Jul-20
33 Parish Road	Semi-detached	828	£186,995	£226	Jul-20
38 Parish Road	Semi-detached	828	£192,995	£233	Jun-20
2 Parish Road	Detached	914	£214,995	£235	Jun-20
4 Parish Road	Detached	1,227	£284,995	£232	Jun-20
25 Parish Road	Detached	1,076	£247,000	£229	Jun-20
<b>Average</b>				<b>£231</b>	

This scheme is also situated in an 'edge of town' location like the subject site and is in a similar value housing market area. On this basis, we consider that the capital values per sq ft in the proposed scheme will be higher than this scheme due to recent growth in the local housing market.

#### **Barratt Homes, Salter's Brook - Carrs Lane, Cudworth, S72 8EJ**

This scheme is located approximately 4.7 miles north east of the subject site. The scheme includes 278 units which comprises of two, three and four bedroom homes and the provision of bungalows on the site.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

Address	House Type	Area (sq ft)	Sale Price	Price per sq ft	Sale Date
139 Newland Avenue	Semi-detached	828	£200,000	£241	Apr-22
137 Newland Avenue	Terraced	828	£192,495	£232	Apr-22
141 Newland Avenue	Semi-detached	828	£194,000	£234	Apr-22
132 Newland Avenue	Detached	914	£232,995	£255	Apr-22
143 Newland Avenue	Detached	914	£234,500	£256	Feb-22
66 Carrs Avenue	Semi-detached	818	£178,995	£219	Dec-21
68 Carrs Avenue	Semi-detached	818	£170,996	£209	Jul-21
64 Carrs Avenue	Detached	1,076	£249,995	£232	Jun-21
62 Carrs Avenue	Detached	1,033	£227,995	£221	May-21
16 Ring Farm Crescent	Detached	1,076	£254,995	£237	May-21
11 Ring Farm Crescent	Semi-detached	828	£189,995	£229	Apr-21
15 Ring Farm Crescent	Semi-detached	828	£175,746	£212	Apr-21
18 Ring Farm Crescent	Detached	1,313	£291,995	£222	Apr-21
17 Ring Farm Crescent	Detached	1,270	£259,995	£205	Apr-21

Address	House Type	Area (sq ft)	Sale Price	Price per sq ft	Sale Date
<b>Average</b>				<b>£229</b>	

This scheme is located in a lower value housing market area in comparison to the subject site. Therefore we consider that the proposed development at the subject site would likely achieve higher average capital value per sq ft.

### **Redrow Homes, Langley Grange – Pilling Lane, Scissett, HD8 9JF**

This development is situated approximately 5.4 miles north west of the subject site. This 200 unit scheme has now been built out in full. The scheme comprises of a range of detached, semi-detached and terraced homes offering three- and four- bedrooms homes.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

Address	House Type	Area (sq ft)	Sale Price	Price per sq ft	Sale Date
12 Langley Gardens	Detached	1,743	£479,950	£275	Aug-22
8 Langley Gardens	Detached	1,506	£449,950	£299	Aug-22
10 Langley Gardens	Detached	1,506	£444,950	£295	Aug-22
14 Langley Gardens	Detached	1,625	£459,950	£283	Aug-22
16 Langley Gardens	Detached	1,786	£519,950	£291	Aug-22
78 Park Gate Drive	Detached	1,140	£309,950	£272	May-22
80 Park Gate Drive	Detached	1,290	£359,950	£279	May-22
82 Park Gate Drive	Detached	1,140	£309,950	£272	May-22
14 Park Gate Drive	Detached	1,463	£414,950	£283	May-22
76 Park Gate Drive	Detached	1,291	£364,950	£283	May-22
74 Park Gate Drive	Detached	1,205	£328,950	£273	Apr-22
12 Park Gate Drive	Detached	1,291	£356,950	£276	Mar-22
8 Park Gate Drive	Detached	1,140	£299,950	£263	Mar-22
10 Park Gate Drive	Detached	1,140	£297,950	£261	Feb-22
7 Park Gate Drive	Detached	1,119	£305,950	£273	Feb-22
5 Park Gate Drive	Detached	1,140	£304,950	£267	Feb-22
4 Beanlands Court	Detached	1,291	£364,950	£283	Feb-22
3 Beanlands Court	Detached	1,140	£309,950	£272	Jan-22
2 Beanlands Court	Detached	1,291	£359,950	£279	Jan-22
1 Beanlands Court	Detached	1,140	£309,950	£272	Jan-22
<b>Average</b>				<b>£278</b>	

The Langley Grange scheme occupies a similar 'edge of town' location alike the subject site, however it does so in a more valuable housing market area than the subject site. Therefore we consider that the capital values per sq ft achieved by the proposed units on the subject site will be lower than this scheme.

### **Persimmon Homes, Hillies View – Lundhill Road, Wombwell, S73 0RL**

This development is situated approximately 5.7 miles south east of the subject site. This 150 unit scheme has comprises of a range of detached, semi-detached and terraced homes offering two, three- and four- bedrooms homes.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

<b>Address</b>	<b>House Type</b>	<b>Area (sq ft)</b>	<b>Sale Price</b>	<b>Price per sq ft</b>	<b>Sale Date</b>
45 Lundhill Drive	Detached	1,076	£230,000	£214	Aug-21
47 Lundhill Drive	Detached	850	£200,000	£235	Jul-21
84 Lundhill Drive	Detached	1,173	£245,000	£209	Jun-21
41 Lundhill Drive	Detached	947	£220,000	£232	Jun-21
88 Lundhill Drive	Semi-detached	742	£175,000	£236	Jun-21
86 Lundhill Drive	Semi-detached	742	£175,000	£236	Jun-21
82 Lundhill Drive	Semi-detached	850	£190,000	£223	Jun-21
80 Lundhill Drive	Semi-detached	850	£185,000	£218	Jun-21
98 Lundhill Drive	Detached	1,173	£245,000	£209	Jun-21
70 Lundhill Drive	Semi-detached	742	£170,000	£229	Jun-21
100 Lundhill Drive	Semi-detached	850	£190,000	£223	Jun-21
96 Lundhill Drive	Semi-detached	742	£175,000	£236	May-21
90 Lundhill Drive	Detached	947	£220,000	£232	May-21
92 Lundhill Drive	Detached	947	£220,000	£232	May-21
68 Lundhill Drive	Semi-detached	742	£170,000	£229	May-21
94 Lundhill Drive	Semi-detached	742	£175,000	£236	May-21
102 Lundhill Drive	Semi-detached	850	£185,000	£218	May-21
104 Lundhill Drive	Detached	1,194	£250,000	£209	May-21
66 Lundhill Drive	Detached	1,173	£240,000	£205	Apr-21
<b>Average</b>				<b>£224</b>	

The Hillies View development is located within Wombwell, which we consider to be a less valuable housing market area than Dodworth. We therefore consider that the proposed units on the subject site will achieve higher capital values per sq ft than this development.

## Summary of New Build Values

There is limited directly comparable new build evidence within Dodworth. Where evidence is available it is for schemes which we consider to be somewhat dated and the housing market has moved on since these sales. Barratt Homes' Lock Keepers Gate scheme is, in our view, the most relevant scheme in the surrounding area, based on unit sizing and end specification.

As discussed above, we consider that this scheme is in a better housing market area than Dodworth and therefore the proposed units would likely achieve slightly lower capital values per sq ft than the recent sales evidence recorded at the Lock Keepers Gate scheme. However, due to recent growth in the local housing market we consider that the proposed scheme on the subject site would achieve higher capital values per sq ft than the more historic sales evidence recorded at this scheme.

## Re-sale Evidence

We have also considered re-sale evidence of modern estate housing within 1 mile of the postcode of the subject site, to provide further context for our opinion of unit pricing.

Based on a search of Rightmove Land Registry data, we have found the following transactional evidence:

Address	House Type	Area (sq ft)	Re-Sale Price	Price per sq ft	Re-Sale Date
7 Laithe Croft, Dodworth, S75 3LZ	Terraced	1,238	£162,300	£131	Aug-22
8 Farrow Close, Dodworth, S75 3TE	Detached	1,292	£342,500	£265	Aug-22
14 Bowden Close, Dodworth, S75 3TB	Semi-detached	936	£231,000	£247	Aug-22
25 Water Royd Drive, Dodworth, S75 3QX	Detached	1,679	£395,000	£235	Aug-22
33 Brodway, Barnsley, S70 6QL	Semi-detached	1,292	£282,000	£218	Aug-22
75 Bowden Close, Dodworth, S75 3TB	Semi-detached	936	£235,000	£251	Aug-22
32 Champany Fields, Dodworth, Barnsley, S75 3TY	Detached	1,432	£310,000	£216	Jul-22
17 Harden Close, Barnsley, S75 2JJ	Detached	1,281	£335,000	£262	Jun-22
22 Bamford Close, Dodworth, Barnsley, S75 3SL	Detached	1,399	£319,000	£228	Jun-22
<b>Average</b>				<b>£228</b>	

## Proposed Unit Pricing

Based on the evidence above, the location and specification of the proposed development, our opinion of unit pricing for affordable dwellings within the policy compliant scheme is as follows:

House Type	House Type Description	Area (sq ft)	Price per sq ft	Price per unit	Quantity	GDV per unit Type
<b>AFFORDABLE DWELLINGS</b>						
N201	2 bed semi-detached 2 storey	761	£140	£106,540	8	£852,320
N302	3 bed detached 2 storey	978	£135	£132,030	2	£264,060
N303S	3 bed detached 2 storey	978	£135	£132,030	2	£264,060
N303A	3 bed semi-detached 2 storey	998	£135	£134,730	3	£404,190
<b>Total Affordable Dwellings</b>					<b>15</b>	<b>£1,784,630</b>

We have outlined an affordable housing tenure mix on the site of 70% affordable rent units and 30% intermediate units. This is in line with the draft Supplementary Planning Document: Affordable Housing, published November 2021. Stipulated transfer values within Barnsley's planning policy set out that affordable units, both affordable rent and intermediate, are to be transferred at 50% of market value.

Through our assessment of the comparable evidence, we consider that the proposed two-bedroom affordable dwellings on the subject site would generate an equivalent private sales revenue of £280 per sq ft while the proposed three-bedroom affordable dwellings on the subject site would generate an equivalent private sales revenue of £270 per sq ft, if sold to private purchasers.

Based on the evidence above, the location and specification of the proposed development, our opinion of unit pricing for private tenure dwellings within the policy compliant scheme is as follows:

House Type	House Type Description	Area (sq ft)	Price per sq ft	Price per unit	Quantity	GDV per unit Type
<b>PRIVATE DWELLINGS</b>						
N303A	3 bed semi-detached 2 storey	998	£270	£269,460	4	£1,077,840
SL03 ALT	3 bed semi-detached 3 storey	1,188	£260	£308,880	6	£1,853,280
N306	3 bed detached 3 storey	1,431	£245	£350,595	2	£701,190
N308	3 bed detached 2 storey	1,062	£270	£286,740	6	£1,720,440
N313	3 bed semi-detached 2.5 storey	1,066	£265	£282,490	11	£3,107,390
N400	4 bed detached 2.5 storey	1,350	£255	£344,250	3	£1,032,750
N402	4 bed detached integral 2 storey	1,246	£260	£323,960	2	£647,920
N403B	4 bed detached 2 storey	1,387	£250	£346,750	1	£346,750
N405	4 bed detached integral 2 storey	1,538	£235	£361,430	1	£361,430
<b>Total Private Dwellings</b>					<b>36</b>	<b>£10,848,900</b>
<b>TOTAL OVERALL</b>					<b>51</b>	<b>£12,633,620</b>

### Proposed Development Revenue – Assumed Policy Compliant Scheme

Based on an assumed policy compliant scheme (reflecting 30% Affordable Housing provision) we have undertaken our own review of the GDV having regard to our assessment of the comparable evidence as detailed above.

We believe this is appropriate based on the comparable evidence considered. We have used the stipulated transfer values contained with Barnsley's local planning policy when considering the sales revenues of the affordable housing. Local planning policy sets out the transfer rates as 50% of market value for both affordable rent units and intermediate units.

We have undertaken a development appraisal to determine the level of developer's profit that can be achieved for the proposed scheme on a policy compliant basis. We detail our appraisal assumptions and development costs and inputs below:

#### Appraisal Assumptions

- All pricing is exclusive of VAT.
- Inflation is explicitly excluded from the appraisal.
- Assumed the site has the benefit of full planning permission.
- The scheme is delivered in line with the site layout provided for 51 residential dwellings.
- No deleterious materials are present on site.
- No environmental issues exist.
- Access appropriate to the scale of the development can be gained from the adopted highway and no additional highway works are required other than those explicitly accounted for in this report.
- There are no restrictive covenants affecting the Title.
- Adequate service connections are available to the site which would not require upgrading for the purposes of the proposed scheme.

#### Appraisal Costs and Inputs

##### Standard Build Costs

We have adopted the current RICS Building Cost Information Service (BCIS) last updated on 14th January 2023 for 'Estate Housing Generally' and rebased to the Barnsley area. BCIS provides a range in build costs for Estate Housing Generally. The range for Estate Housing Generally in the past 5 years is from a lower quartile of £97 per sq ft (£1,045 per sq m) to an upper quartile of £127 per sq ft (£1,365 per sq m), with a median figure of £110 per sq ft (£1,179 sq m).

For the purposes of our assessment, we have adopted the lower quartile figure of £97 per sq ft (£1,045 per sq m) and added an additional 15% for external works and connections. Therefore, within our appraisal, we have adopted a standard build cost of £112 per sq ft. We consider this to be appropriate and proportionate for the size and nature of the proposed development.

The Developer has provided us with additional build costs relating to the structure of the proposed dwellings on the subject site. These costs include £12,500 for silt/dust management, £28,120 electrical vehicle charging points and £225,000 for alterations to building regulations. Costs such as these are an expense over and above what would be included within the standard BCIS build cost and therefore are counted in addition, however we would not describe them as abnormal costs, per se.

Abnormal Development Costs

The Developer has provided us with a detailed breakdown of the abnormal costs associated with the development of this site. These are listed below:

These individual costs have each been provided by quantity surveyors, generated by Newett Homes’ technical team based upon what they are experiencing on their other schemes. These figures represent the projected costs of constructing the scheme, based on the current proposals.

- Abnormals Site Clearance / Protection - £66,300
- Abnormal Main Siteworks - £1,277,404
- Abnormals Substructure - £122,505
- Abnormals Local Siteworks - £1,855,360
- Abnormals Other - £115,727

These abnormal costs amount to a total of £3,437,296, which equates to £67,398 per plot. These abnormal costs are significant and naturally have a significant impact on the viability of this development. We attached at **Appendix 2** to this report, a detailed summary of the breakdown of the abnormal costs with costing for these from independent contractors and quantity surveyors where they have been provided with by the Developer.

These abnormal costs reflect the inherent challenges of the site, such as the differing levels and watercourse running through the site as well as along the southern boundary of the site. Costs such as these are a site-specific expense over and above what would be included within the standard BCIS build cost and therefore are counted in addition.

Development Inputs

We detail the other additional inputs within our appraisal below:

<b>Proposed Policy Complaint Scheme for 51 residential dwellings (15 of which are affordable)</b>	
<b>Gross Development Value (GDV)</b>	<ul style="list-style-type: none"> <li>• Based on the scheme layout we have been provided and assuming a policy compliant development of 51 residential dwellings (traditional family housing), our total GDV is £12,633,620.</li> <li>• The GDV of the 36 private dwellings is £10,848,900.</li> <li>• The GDV of the 15 affordable dwellings, assuming 50% of market value for the affordable rent units and for the intermediate units, as discussed in Section 6, is £1,784,630.</li> </ul>
<b>Construction Costs</b>	<ul style="list-style-type: none"> <li>• As discussed above we have adopted the BCIS lower quartile figure for ‘Estate Housing Generally’ rebased over the last 5 years to Barnsley. We have then applied a 15% uplift to this figure to represent external works, such as connections to mains services. The figure we have adopted within our appraisal is £112 per sq ft.</li> </ul>

<b>Proposed Policy Complaint Scheme for 51 residential dwellings (15 of which are affordable)</b>	
<b>Other Construction Costs - Abnormals</b>	<ul style="list-style-type: none"> <li>As discussed above, we have been provided with a detailed breakdown of the abnormal costs associated with developing this site. This figure is £3,437,296, which we have adopted in our appraisal.</li> <li>These individual costs have each been provided by quantity surveyors, generated by Newett Homes' technical team based upon what they are experiencing on their other schemes. We are satisfied that these represent an appropriate level given the proposed development on site.</li> </ul>
<b>Other Construction Costs - Dwelling Structure</b>	<ul style="list-style-type: none"> <li>As advised by the developer, there is a cost of £12,500 for dust/silt management, £28,120 within our appraisal for electric vehicle charging as well as a cost of £225,000 for building regulations alterations. A breakdown of these costs as well as the abnormal costs can be found at <b>Appendix 2</b>.</li> </ul>
<b>S.278 Works</b>	<ul style="list-style-type: none"> <li>As advised by the developer, we have applied a cost of £34,810 to cover the cost of Baslow Crescent junction works.</li> </ul>
<b>Contingency</b>	<ul style="list-style-type: none"> <li>We have adopted a 5% contingency on the construction costs.</li> </ul>
<b>Phasing and Timescales</b>	<ul style="list-style-type: none"> <li>We have assumed the development will be delivered in a single phase.</li> <li>We have allowed for a 15-month construction period.</li> <li>Given the nature of the development on site, we have assumed that several of the private units will be sold as the wider development is ongoing. Therefore, we have assumed that private unit sales will commence in month 9.</li> <li>We have assumed a sales period of 15 months, which reflects a sales rate on the private units only of approximately 2.5 units per month. We would consider a sales rate of between 2 to 3 units a month to be appropriate.</li> <li>We have assumed that the 15 affordable units will all be sold to a Registered Provider on practical completion in month 7 of the sales period.</li> <li>There is an overlap of 8 months from the practical completion of construction to the final unit being sold.</li> </ul>
<b>Professional Fees</b>	<ul style="list-style-type: none"> <li>We have assumed 8% professional fees.</li> </ul>
<b>S.106 Costs</b>	<ul style="list-style-type: none"> <li>We have reflected the S.106 financial contributions within our appraisal that are discussed in Section 4 of this report and are advised by the Developer.</li> <li>These financial contributions total £225,245 and can be disaggregated as follows: <ul style="list-style-type: none"> <li>Public Open Space: £30,728</li> <li>Formal Recreation: £50,285</li> <li>Sustainable Travel Contribution: £38,732</li> <li>Biodiversity Net Gain: £105,500</li> <li>Public rights of way contribution: TBC</li> </ul> </li> </ul>
<b>Finance Rate</b>	<ul style="list-style-type: none"> <li>Assumed 100% debt financed, at a rate of 6.00%</li> </ul>

<b>Proposed Policy Complaint Scheme for 51 residential dwellings (15 of which are affordable)</b>	
<b>Land Value</b>	<ul style="list-style-type: none"> <li>To determine the viability of the proposed policy compliant scheme and in accordance with the residual valuation methodology set out above, we have inputted our opinion of the land value (EUV plus premium) as a fixed cost within our appraisal.</li> <li>Based on the evidence detailed earlier in this report, our estimate of an appropriate Benchmark Land Value is £112,500 per acre on a net development area basis. This reflects a total land value of £530,000.</li> </ul>
<b>Acquisition Costs</b>	<ul style="list-style-type: none"> <li>We have allowed for costs associated with land acquisition, such as Stamp Duty land Tax (SDLT) at the prevailing rate, legal fees and agent's fees.</li> <li>We have allowed for legal fees of 0.50% of the land value.</li> <li>We have allowed for agent's fees of 1% of the land value.</li> </ul>
<b>Disposal Costs</b>	<ul style="list-style-type: none"> <li>We have assumed marketing, sales and legal fees of 2.50% of the total sales rates, for the private units only.</li> </ul>

A full copy of our policy compliant development appraisal can be found at **Appendix 3**.

Based on the policy compliant scheme detailed above, the development generates a Profit on GDV of 4.13% and a Profit on Cost of 4.3%. Clearly this falls short of the minimum 17.50% Profit on GDV that we set as our minimum benchmark in Section 5 of this report and in line with the PPG.

We have therefore followed accepted practice and carried out sensitivity analysis on our appraisal to determine the viability of the proposed development.

### **Non-Policy Compliant Scheme Viability Assessments and Sensitivity Analyses**

We attach a copy of a further development appraisal for the assumed development which proposes no affordable housing provision. A copy of this appraisal can be found in **Appendix 4**.

In this scenario, we have assumed that none of the units are delivered as affordable housing. All other variables within our appraisal remain the same as the policy compliant scheme above.

As can be seen from the attached appraisal, based on the assumptions made as detailed above, this iteration of our appraisal delivers a Profit on GDV of 15.99% and a Profit on Cost of 19.03%. Whilst the return the developer is greater in this scenario, the profit level once again falls short of the 17.50% Profit on GDV that we set as our minimum benchmark in line with the PPG.

Whilst this level of developer's profit is marginally below the minimum level set as our benchmark, the scheme still provides the assumed per dwelling monetary contribution in respect of additional Section 106 Agreement obligations, as advised by the developer. Furthermore, we consider that the scheme delivers an appropriate land value to the landowner.

## 7. Conclusions and Additional Commentary

As detailed above, we have considered the financial viability of the proposed development by considering the Existing Use Value of the site, which in turn has informed the Benchmark Land Value and the Site Value supported by the proposed scheme under a policy compliant and non-policy compliant position. The approach of a financial viability assessment is to assess the land value at which a landowner would be incentivised to sell at while reflecting a reasonable market return for the developer.

We have considered EUV based on the site's existing use as amenity land. However, we believe it is also important to factor in the development potential of the subject site based on the planning policy and history specific to the site. We are of the opinion that this potential is substantial and would impact significantly on what the landowner would view as being an acceptable price to accept for the subject site.

We are of the opinion that the consented residential development land value of the subject site, assuming it had planning consent for the scheme proposed, would be in the order of **£450,000 per acre**. However, we have discounted this figure to **£112,500 per acre** to take account of the fact that the site does not currently benefit from planning consent and is not currently allocated for residential development, and to reflect this risk. However, we consider that the potential for residential development is reasonable, due to the subject site having gained planning consent for similar schemes of 51 units in 2013 and 2018 (application reference number: 2012/0797 and 2016/0268), however these consents have since lapsed.

Our estimate of an appropriate benchmark land value is **£112,500 per acre**. This equates to circa ten times the likely existing use value of the land in its current form assuming no prospects of securing higher value alternative use on the site. This is a discount of circa 75% from our view of the current alternative use value of the site, assuming planning permission is in place for comprehensive residential development scheme such as that proposed by Newett Homes, setting aside any potential abnormal costs. We consider a benchmark land value of **£528,750 (say, £530,000)** to be appropriate for the subject site.

In this respect, our assessment has identified the following outputs:

- Existing Use Value (EUV) - **£56,400**
- Minimum Benchmark Land Value - **£530,000**
- Developer's Profit with assumed policy compliant scheme (i.e. 30% affordable housing) **4.13% Profit on GDV**
- Developer's Profit with wholly non-policy compliant scheme (i.e. 0% affordable housing) **15.99% Profit on GDV**

Accordingly, based on our analysis and the assumptions we have made as detailed above; we believe that our assessment demonstrates that the development proposed would be financially unviable in our assumed policy compliant scenario. This scenario provides for 30% affordable housing as well as the full assumed monetary contributions for the additional S.106 contributions. It also provides the landowner with our opinion of the benchmark land value for the site. However, it delivers a developer's profit on GDV of 4.13% and a Profit on Cost of 4.3%. Clearly this falls short of the minimum 17.50% Profit on GDV that we set as our minimum benchmark in Section 5 of this report and in line with the PPG.

Following further sensitivity analysis, we have assumed that a wholly non-policy compliant position in terms of affordable housing as part of the development. This scenario provides no affordable housing, however the full assumed monetary contributions for the additional S.106 contributions are provided. It also provides the landowner with our opinion of the benchmark land value for the site. In making the adjustments to the number of affordable housing units provided, the level of developer's profit increases to 15.99% Profit on GDV and Profit on Cost of 19.03%. In this scenario, the developer's profit level is only marginally less than the minimum benchmark of 17.50% on GDV. It is therefore likely that a developer might, in this instance, consider this scheme to be broadly viable and consider it reasonable to proceed with the scheme.

As a result, we conclude that to deliver this site for residential development, whilst ensuring the landowner receives an appropriate return for their land and the developer receives an appropriate market return for their investment, we do not consider that any affordable housing should be required to be delivered as part of this scheme.

The report has been prepared and signed by Dai Powell MRICS, Director and RICS Registered Valuer in the Avison Young Land and Development team. Input has also been provided by Joe Wherity MRICS, Associate Director in the Avison Young Land and Development team. Joe Wherity has reviewed and panelled this report and the appraisals contained, to provide a counter signature. We confirm that these individuals have the necessary qualifications, knowledge and experience to provide this advice.

This viability report is provided on the confidential basis and understanding that it is to be submitted to the LPA in support of an application for full planning approval on the property. We therefore request that the report should not be disclosed to any third parties (other than consultants who may be instructed by the Council to review this report) under the Freedom of Information Act 2000 (sections 41 and 43(2)) or under the Environmental Information Regulations'.



Dai Powell MRICS  
RICS Registered Valuer  
Director  
Land and Development

For and on behalf of Avison Young (UK) Limited  
19 January 2023



Joe Wherity MRICS  
Associate Director  
Land and Development

For and on behalf of Avison Young (UK) Limited  
19 January 2023

# Appendix I

## Letter of Instruction

# Avison Young (UK) Limited Standard Terms of Appointment

## PARTIES

- (1) Avison Young (UK) Limited incorporated and registered in England and Wales with company number 6382509 whose registered office is at 3 Brindleyplace, Birmingham, B1 2JB, United Kingdom (**Avison Young**).
- (2) The Client named in the Letter of Appointment (**Client**)

### 1. Interpretation

The following definitions and rules of interpretation apply in this appointment:

**Additional Services:** any additional services which Avison Young agrees to provide in accordance with clause 6.

**Fee:** the fees for the Services and any Additional Services (if any) as set out in the Letter of Appointment.

**Force Majeure Event:** means any circumstance not within a party's reasonable control including, without limitation: acts of God, flood, drought, earthquake or other natural disaster; epidemic or pandemic; terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations; nuclear, chemical or biological contamination or sonic boom; any law or any action taken by a government or public authority, including without limitation imposing an export or import restriction, quota or prohibition, or failing to grant a necessary licence or consent; collapse of buildings, fire, explosion or accident; any labour or trade dispute, strikes, industrial action or lockouts; any interruption or failure of utility service

**Insolvent:** a party is insolvent if: a party is making a voluntary arrangement with its creditors, entering administration or going into liquidation; or a security holder taking possession, or a receiver or an administrative receiver being appointed over all or any part of the property or the assets of the party; or any other similar or analogous event in another jurisdiction.

**Letter of Appointment:** the letter by Avison Young which sets out the details of the Client and the Services and the Fee together with other details relating to the Service which may be appropriate to this appointment.

**Material:** all designs, drawings, models, plans, specifications, design details, photographs, brochures, reports, notes of meetings, CAD materials, calculations, data, databases, schedules, programmes, bills of quantities, budgets and any other materials provided in connection with the Services and all updates, amendments, additions and revisions to them and any works, designs, or inventions incorporated or referred to in them for any purpose relating to the Services.

**Services:** the Services set out in the Letter of Appointment and the Additional Services (if any).

**VAT:** value added tax imposed by the Value Added Tax Act 1994, or any similar tax in addition to or replacing it from time to time.

### 2. Appointment

- 2.1. The Client appoints Avison Young to carry out the Services, subject to the terms of this appointment.
- 2.2. This appointment takes effect from the date when Avison Young begins performing the Services, regardless of the date of this appointment.
- 2.3. This appointment consists of these Avison Young Terms and the Letter of Appointment.
- 2.4. Avison Young shall deem the Client to have accepted the terms of this appointment (including the details set out in the Letter of Appointment) within 30 days of their issue unless the Client has notified Avison Young otherwise in writing.

### 3. Consultant's Obligations

- 3.1. Avison Young warrants and undertakes that it shall comply with the terms of this appointment.
- 3.2. Avison Young warrants and undertakes that it shall act with reasonable skill and care:
  - 3.2.1. when performing the Services;
  - 3.2.2. to comply with any Act of Parliament, any instrument, rule or order made under any Act of Parliament; and any regulation or bye-law of any local authority, statutory undertaker or public or private utility or undertaking that has any jurisdiction over the Services or with those systems or property the Services is or will be connected.

# Avison Young (UK) Limited Standard Terms of Appointment

## 4. Client Obligations

- 4.1. The Client undertakes promptly to provide Avison Young with all information, assistance and materials that Avison Young may request from time to time to facilitate the proper and timely performance of the Services. The Client warrants that all information provided by it to Avison Young will be accurate and complete, and that it is entitled to provide the same to Avison Young for its use without recourse to any third party.
- 4.2. The Client undertakes promptly to carry out all such actions and provide all such resources (if any) as may be required of the Client in the Letter of Appointment.
- 4.3. The Services will be provided at Avison Young's premises when the nature of the work permits. If any of Avison Young's personnel are to perform any Services at the Client's premises, the Client shall ensure that such personnel are allowed access to such premises upon reasonable prior notice during normal business hours and shall take full responsibility for the safety and security of Avison Young's personnel whilst at such premises.

## 5. Remuneration

- 5.1. The payment terms set out in clauses 5.5 to 5.7 shall apply to all Services not covered under the Housing Grants, Construction and Regeneration Act 1996. The payments terms set out in clauses 5.8 to 5.14 apply to Services which are covered under the Housing Grants, Construction and Regeneration Act 1996.
- 5.2. The Client shall pay the Fee, together with any reasonable expenses and disbursements, which shall be Avison Young's entire remuneration under this appointment.
- 5.3. The Client shall pay Avison Young any VAT properly chargeable on the Services. Any amount expressed as payable to Avison Young under this appointment is exclusive of VAT unless stated otherwise.
- 5.4. The Fee shall be calculated and paid in instalments in accordance with the dates set out in the Letter of Appointment or if not set out, the Fee shall be paid at intervals of not less than one month, beginning one month after Avison Young begins performing the Services.

To the extent that the Fee is not set out in the Letter of Appointment, Avison Young will be entitled to charge a Fee based on its current hourly rates (which are available on request), and on the number of hours it has worked on the matter.

- 5.5. Avison Young shall submit to the Client an invoice for each instalment of the Fee, together with any supporting documents that are reasonably necessary to check the invoice. The invoice and supporting documents (if any) shall specify the sum that Avison Young considers will become due on the relevant instalment date.
- 5.6. Payment shall be made within 30 days of the date of the Invoice.
- 5.7. Avison Young reserves the right to charge interest and debt recovery costs in respect of any amounts not paid in accordance with clause 5.6. Interest will be calculated in accordance with the "Late Payment of Commercial Debts (Interest) Act 1998".
- 5.8. Avison Young shall submit to the Client an invoice for each instalment of the Fee, together with any supporting documents that are reasonably necessary to check the invoice. The invoice and supporting documents (if any) shall specify the sum that Avison Young considers will become due on the payment due date in respect of the instalment of the Fee, and the basis on which that sum is calculated.
- 5.9. Payment shall be due on the date Avison Young submits each invoice (**payment due date**).
- 5.10. No later than five days after the payment due date, the Client shall notify Avison Young of the sum that the Client considers to have been due at the payment due date in respect of the payment and the basis on which that sum is calculated.
- 5.11. The **final date for payment** shall be 30 days after the payment due date.
- 5.12. Unless the Client has served a notice under clause 5.13, it shall pay Avison Young the sum referred to in the Client's notice under clause 5.10 (or, if the Client has not served notice under clause 5.10, the sum in the invoice referred to in clause 5.8) (the **notified sum**) on or before the final date for payment.
- 5.13. Not less than five days before the final date for payment (the **prescribed period**), the Client may give Avison Young notice that it intends to pay less than the notified sum (a pay less notice). Any pay less notice shall specify:

## Avison Young (UK) Limited Standard Terms of Appointment

5.13.1. the sum that the Client considers to be due on the payment due date; and

5.13.2. the basis on which that sum is calculated.

5.14. If the Client fails to pay an amount due to Avison Young by the final date for payment and fails to give a pay less notice, then the Client shall pay interest calculated in accordance with the "Late Payment of Commercial Debts (Interest) Act 1998".

### 6. Additional Services

6.1. Each party shall notify the other as soon as reasonably practicable if it becomes apparent that Additional Services are likely to be required, and such notice will identify the required services.

6.2. Additional Services may arise as a result of the following:

6.2.1. a change in the scope, size, complexity or duration of the Services;

6.2.2. any other changes to the Services as set out in the Letter of Appointment;

6.2.3. any material delay or disruption to the Services; or

6.2.4. any other cause outside Avison Young's reasonable control and which it could not reasonably have foreseen at the date of this appointment.

6.3. If the Client provides a notice under clause 6.1, then as soon as reasonably practicable after receiving the notice, Avison Young shall provide the Client with a written estimate of the change to the Fee in respect of the Additional Services. If Avison Young provides a notice under clause 6.1, Avison Young shall provide the Client with a written estimate of the change to the Fee in respect of the Additional Services at the same time it provides the notice.

6.4. The Fee for the Additional Services shall be calculated by agreement between the parties.

6.5. At the Client's discretion, acting reasonably, it may instruct Avison Young to carry out the Additional Services. For the avoidance of doubt, Avison Young shall only perform Additional Services on receipt of a written instruction to do so by the Client.

6.6. Any Fee payable by the Client in respect of Additional Services shall be included in the next invoice following performance of the Additional Services.

### 7. Limitation of Liability – PLEASE READ THIS SECTION CAREFULLY

7.1. Without affecting any other limitation in this appointment, Avison Young's liability under or in connection with this appointment shall be limited to £5,000,000 in total for all claims arising. This limit shall apply however that liability arises including a liability arising by breach of contract, arising by tort (including the tort of negligence) or arising by breach of statutory duty. Nothing in this appointment shall exclude or limit Avison Young's liability for:

7.1.1. death or personal injury caused by Avison Young's negligence; or

7.1.2. fraud or fraudulent misrepresentation.

7.2. None of Avison Young's employees, directors or consultants individually has a contract with the Client or owes the Client a duty of care or personal responsibility. The Client agrees that it will not bring any claim against any such individuals personally in connection with the Services.

7.3. If the Client suffers loss as a result of Avison Young's breach of contract or negligence, Avison Young's liability shall be limited to a just and equitable proportion of the Client's loss having regard to the extent of responsibility of any other party. Avison Young's liability shall not increase by reason of a shortfall in recovery from any other party, whether that shortfall arises from an appointment between the Client and them, difficulty in enforcement, or any other cause.

7.4. Avison Young shall have no liability to the Client under this appointment in respect of loss of profits, loss of revenue or business, loss of goodwill or reputation or any other indirect or consequential losses.

7.5. The Services and any Material produced in connection with the Services are provided for the Client's benefit alone and solely for the purposes of the instruction to which it relates. The Services or any Material may not, without Avison Young's written consent, be used or relied upon by any third party, even if that party pays all or part of Avison Young's Fees, or is permitted to see a copy of the Materials Avison Young create. If Avison Young provides written consent for a third party to rely on the Services or the Materials, it may be subject to a further fee, and any such third party will be deemed to have accepted the terms and conditions set out in this appointment.

## Avison Young (UK) Limited Standard Terms of Appointment

7.6. Avison Young shall not be liable for any loss or damage suffered or incurred by the Client arising from Avison Young's delay in performing or failure to perform the Services and/or any of its obligations under this appointment where such delay or failure results from a Force Majeure Event.

### 8. Suspension

- 8.1. The Client may, at any time, suspend performance of all or part of the Services by giving written notice to Avison Young. Subject to clause 9.1, Avison Young shall resume performance of the Services as soon as reasonably practicable after receiving a written notice to do so from the Client.
- 8.2. Avison Young may suspend the performance of any or all of its Services and other obligations under this appointment by giving not less than seven days' notice to the Client of its intention to do so in the event that the Client fails to pay an invoice in accordance with the relevant payment provisions set out in clause 5.
- 8.3. In the event of a suspension in accordance with this appointment, the Client shall pay Avison Young an amount in respect of any costs and expenses reasonably incurred by Avison Young as a result of such suspension.

### 9. Termination

- 9.1. Avison Young may immediately terminate its engagement under this appointment by giving written notice to the Client if:
- 9.1.1. a suspension of the Services in accordance with clause 8.1 continues for a continuous period of six months; and
- 9.1.2. the Client does not instruct Avison Young to resume the Services within 30 days of receiving a written notice from Avison Young requiring it to do so.
- 9.2. Either party may immediately terminate this appointment by giving written notice to the other party if:
- 9.2.1. the other party is in material breach of its obligations under this appointment and fails to remedy that breach within 14 days of receiving written notice requiring it to do so; or
- 9.2.2. the other party becomes Insolvent; or
- 9.2.3. a Force Majeure Event continues for a period of more than 30 days.

9.3. Either party may terminate this appointment at any time for any reason by giving no less than 30 days written notice to the other party.

### 10. Consequences of Termination

- 10.1. On termination the Client shall immediately pay Avison Young:
- 10.1.1. any amount properly due for payment under this appointment at the date of termination; and
- 10.1.2. a fair and reasonable proportion of the next instalment of the Fee, together with any expenses and disbursements, commensurate with the Services properly performed at the date of termination; and
- 10.1.3. any expenses, disbursements or costs necessarily incurred by Avison Young as a direct result of termination (unless the termination arises as a result of Avison Young's default).
- 10.2. Termination of Avison Young's engagement under this appointment shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of this appointment which existed at or before the date of termination.

### 11. Copyright and Intellectual Property

- 11.1. Avison Young owns all intellectual property rights (including copyright) relating to the Material it produces.
- 11.2. On payment of the Fee, Avison Young grants to the Client an irrevocable, non-exclusive, non-terminable, royalty-free licence to copy and make full use of any Material prepared by, or on behalf of, Avison Young for any purpose relating to the project or the property to which the Services relate.
- 11.3. Avison Young shall not be liable for use of the Material for any purpose other than that for which it was prepared and/or provided.
- 11.4. The Client may, at any time (whether before or after completion of the Services, or after termination of Avison Young's engagement under this appointment), request a copy or copies of (some or all of) the Material from Avison Young. On the Client's payment of Avison Young's reasonable charges for providing the copy (or copies), Avison Young shall provide the copy (or copies) to the Client.

# Avison Young (UK) Limited Standard Terms of Appointment

## 12. Confidentiality

- 12.1. Each party undertakes that it shall not at any time disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party or of any member of the group of companies to which the other party belongs, except as permitted by clause 12.2.
- 12.2. Each party may disclose the other party's confidential information:
- 12.2.1. to its employees, officers, representatives, contractors, sub-contractors or advisers who need to know such information for the purposes of exercising the party's rights or carrying out the party's obligations under or in connection with this appointment. Each party shall ensure that its employees, officers, representatives, contractors, sub-contractors or advisers to whom it discloses the other party's confidential information comply with this clause 12; and
- 12.2.2. as may be required by law, to a court of competent jurisdiction or any governmental or regulatory authority.
- 12.3. No party shall use any other party's confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with this appointment.

## 13. Anti-Money Laundering

- 13.1. Avison Young operate an anti-money laundering policy in compliance with the Money Laundering Regulations 2007 and the Money Laundering Regulations 2017, The Proceeds of Crime Act 2002, The Terrorism Act 2000 and subordinate legislation. Avison Young may require the Client to provide information (including proof of identity or income) from time to time to enable Avison Young to verify the Client's identity. For the avoidance of doubt this may require Avison Young to request and retain information relating to the directors and the "beneficial owners" of the Client, as is required under the legislation.
- 13.2. Any failure to provide such information within seven days of such a request shall give Avison Young the right to terminate this appointment in accordance with Clause 9.2.1 of this appointment.

## 14. Bribery Act

- 14.1. In order to Comply with the Bribery Act 2010, either party must inform the other if it becomes aware of any person (employee, agent, intermediary, contractor, private individual, commercial organisation or public official) connected (in any way) with this appointment who has committed an offence under the Bribery Act 2010 (or any equivalent legislation).
- 14.2. Avison Young reserves the right to terminate this appointment in accordance with Clause 9.2.1 should it reasonably believe that a breach or likely breach of the Bribery Act 2010 (or any equivalent legislation) has occurred.

## 15. Data Protection

As a result of Avison Young's relationship with the Client, Avison Young may collect or retain personal data about the Client. If the Client is a company, this may include information about the Client's employees, officers, or shareholders. If the Client is a person, this may include information about the Client's family members. Avison Young will only use such data for the purposes of providing the Services, or for related purposes such as updating Client records, money laundering compliance and other legal and regulatory compliance, and we may need to disclose this information to appropriate persons in relation to such matters. In providing any personal data to Avison Young, the Client confirms that it has informed the individuals concerned and obtained any necessary consent to the transfer to Avison Young and for Avison Young's use of their data for these purposes.

## 16. Professional Indemnity Insurance

- 16.1. Avison Young shall maintain professional indemnity insurance to cover its liabilities arising out of this appointment for a period beginning on the date of this appointment and ending 6 years after the date of completion of the Services provided that such insurance is available at commercially reasonable rates and terms with reputable insurers lawfully carrying on insurance business in the UK.
- 16.2. Whenever the Client reasonably requests, Avison Young shall send the Client a broker letter/certificate to evidence that Avison Young's professional indemnity insurance is in force.

# Avison Young (UK) Limited Standard Terms of Appointment

## 17. Complaints

In the event that the Client has a complaint the Client shall be entitled to have access to the complaints handling procedure maintained by Avison Young which contains a dispute resolution process as required by the Royal Institution of Chartered Surveyors (RICS) rules of conduct (details of which are available from Avison Young on request).

## 18. Unoccupied Premises or Properties

Avison Young accepts no liability or responsibility for the security, maintenance or repair of, or for any damage to any premises or properties to which the Services relate. The Client shall take all necessary action to protect such premises or property and to ensure that they have adequate insurance cover in place.

## 19. Joint and Several Liability

If at any time the Client shall consist of more than one person, the obligations on the Client under this appointment shall be enforceable against each of them on a joint and several basis.

## 20. Assignment and Subcontracting

- 20.1. Neither party shall assign or subcontract its rights or obligations under this appointment without the prior written consent of the other party such consent not to be unreasonably withheld or delayed.
- 20.2. If the Client wishes to instruct Avison Young to use a specific contractor or consultant, Avison Young shall instruct such contractor on the Client's behalf. The Client retains all responsibility for any such contractors or consultants and will undertake all due diligence and investigation in relation to their competences and resources. Avison Young accepts no responsibility or liability for the acts of any consultants or contractors appointed at the Client's request.

## 21. Notice

A notice given to a party under or in connection with this appointment shall be in writing and delivered by hand or by recorded delivery post to the address recorded in the Letter of Appointment or such other address as the party may specify from time to time by written notice to the other.

## 22. Liability Period

Neither party shall commence any legal action against the other under this appointment after six years from the date of completion of the Services.

## 23. Third Party Rights

Except in relation to clause 7.2, a person who is not a party to this appointment shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this appointment.

## 24. Entire Agreement

- 24.1. This appointment constitutes the entire agreement between the parties and supersedes and extinguishes all previous discussions, correspondence, negotiations, drafts, agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
- 24.2. Each party agrees that in entering into this appointment it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this appointment.
- 24.3. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this appointment.
- 24.4. No variation to this appointment will be binding unless agreed in writing by both parties.
- 24.5. Nothing in this clause shall limit or exclude any liability for fraud.

## 25. Severance

If any provision or part-provision of this appointment is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this appointment.

## Avison Young (UK) Limited Standard Terms of Appointment

### 26. Non-Solicitation

- 26.1. The Client agrees that both during and for a period of twelve months after the term of this Appointment, the Client shall not (and shall procure that none of its subsidiary or associated companies shall) without the prior written consent of Avison Young:
- 26.1.1. directly or indirectly employ or engage any person who is (or was at any time during the term of this Appointment) a director, member, employee, agent or contractor of Avison Young and with whom the Client has had dealings pursuant to this Appointment (a "relevant person"), or solicit or induce any such relevant person to terminate their employment or engagement with Avison Young;
- 26.1.2. engage or accept services from or otherwise deal with any company, partnership or other entity of which any relevant person is a director, member, employee, agent or contractor.
- 26.2. In granting its consent hereunder, if it agrees to do so, Avison Young shall be entitled to make such consent conditional upon the payment by the Client to Avison Young of a fee equal to 50% of the relevant person's average annual salary or earnings during the preceding 12 months, which equates roughly to the cost to Avison Young of replacing such relevant person.

### 27. Governing Law and Jurisdiction

- 27.1. This appointment and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales and each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the appointment.
- 27.2. If the Services are provided primarily in Scotland then the appointment and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with Scots law and each party irrevocably agrees that the courts of Scotland shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the appointment.

## Clark, Jacob (Avison Young - UK)

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**Subject:** FW: Dodworth, Barnsley (App ref 2022/0591)

---

**From:** Powell, Dai (Avison Young - UK)

**Sent:** 07 July 2022 09:07

**To:** Ben Botham <[ben@newetthomes.co.uk](mailto:ben@newetthomes.co.uk)>

**Cc:** Krishna Mistry <[Krishna@newetthomes.co.uk](mailto:Krishna@newetthomes.co.uk)>; Wherity, Joe (Avison Young - UK)

<[joe.wherity@avisonyoung.com](mailto:joe.wherity@avisonyoung.com)>

**Subject:** RE: Dodworth, Barnsley (App ref 2022/0591)

Hi Ben,

I hope all is well? Please see below for a run-down of what our work will involve along with our quotation.

### **Stage 1 – Viability Assessment, scope**

This will involve the following:

- Completion of a baseline appraisal adopting key market parameters and a policy compliant position on affordable housing and other S106 contributions.
- Completion of an alternative appraisal using the same assumptions as the baseline appraisal, but with a reduced affordable/S106 provision to evidence viability.
- Viability report setting out the assumptions behind the various inputs, market evidence and justification for non-policy compliant position on affordable housing and/or reduced contributions.

Within the report we will need to identify abnormal/infrastructure costs, the approach to land value and profit, all of which will be important in proving a viability position – please provide any information you have on this (as you mention below, for example, if you have an independent cost plan / contractor quotes for abnormals that would be very helpful).

In terms of the planning section of our report it would be helpful if your planning consultants can provide some text for this.

Upon completing a draft of the report, we will run through this in detail with you and your planning consultant, look at the sensitivities and agree any changes together. Once this is complete we (or your planning advisor) can then issue this to the Council.

We hope you will be able to provide us with build and abnormal costs (as opposed to relying on BCIS indices). However, if there are any obvious gaps, we will make appropriate assumptions drawn from other schemes/indices for which we have run similar processes. We have a lot of recent viability experience in the team and therefore much to draw on.

### **Stage 1 – Viability Assessment, fee proposal**

£\*\*\*. Payable on provision of our draft report to you.

### **Stage 2 – Clarification and Negotiations post submission of viability report, scope**

The second stage will involve direct discussions with the council officers/their valuer and the following tasks:

- Meetings with the Council/valuer
- Responding to clarifications
- Updates to the report required due to changes to the scheme
- Negotiations
- Complete new appraisals as necessary
- Agree heads of terms on revised s106 package

### **Stage 2 – Clarification and Negotiations post submission of viability report, fee proposal**

£\*\*\* , payable at agreement of s106.

### Terms of appointment

I attach our standard terms of appointment. This email is essentially the 'letter of appointment' for the purpose of both pieces of work (the 'Client' in the terms of appointment document being Newett Homes Limited).

If you can confirm your instructions for the job back to me in writing that would be helpful for our files.

All the best again,

### Dai Powell

Director

+44 0113 280 8098 **Mobile** +44 07590 230 342

[dai.powell@avisonyoung.com](mailto:dai.powell@avisonyoung.com) | [avisonyoung.com](http://avisonyoung.com)

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**From:** Ben Botham <[ben@newetthomes.co.uk](mailto:ben@newetthomes.co.uk)>

**Sent:** 06 July 2022 13:24

**To:** Powell, Dai (Avison Young - UK) <[Dai.Powell@avisonyoung.com](mailto:Dai.Powell@avisonyoung.com)>

**Cc:** Krishna Mistry <[Krishna@newetthomes.co.uk](mailto:Krishna@newetthomes.co.uk)>

**Subject:** Dodworth, Barnsley (App ref 2022/0591)

CAUTION: External Sender

Dai,

I hope you are well. I am pleased to report I have moved to Newett Homes! I understand you do a fair amount with us so look forward to working with you.

I am contacting you as we need an EVA carrying out on the above site. I understand you will likely need our layout and schedule of abnormals?

Please can you let me have your proposals for fees, timescales and any additional information that you will require.

For initial review I attach our current layout for our recently validated application. We have kept quiet on AH for now until we are ready to submit an EVA.

Kind regards,

### Ben Botham

Head of Land

### NEWETT HOMES

Thorp Arch Grange

Walton Road

Thorp Arch

Wetherby

West Yorkshire

LS23 7BA

**Tel:** 01937 545120

**Mobile:** 07542 848152

**Email:** [ben@newetthomes.co.uk](mailto:ben@newetthomes.co.uk)

**Web:** [www.newetthomes.co.uk](http://www.newetthomes.co.uk)



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# **Appendix II**

## **Abnormal Costs Detailed Summary**

## **Economic Viability Assessment (EVA)**

SITE: Off Green Road, Dodworth  
50 Plots - Planning Layout: Z087-002B



### **Dwelling Structure Abnormals**

Electrical Vehicle Charging	£	28,120.00	
Building Regulations Alterations	£	225,000.00	£ 253,120.00

### **Abnormals Off Site Works**

S278 - Baslow Crescent Junction Works (only)	£	34,810.00	£ 34,810.00
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### **Abnormals Site Clearance / Protection**

Additional Site Clearance - Trees / Scrub & Tree Surgery	£	13,000.00	
Locate & Treat Mineshaft	£	35,000.00	
Tree Protection Measures	£	18,300.00	£ 66,300.00

### **Abnormals Main Siteworks**

On-Site Abnormal Sewers	£	864,241.00	
Off-Site Abnormal Sewers	£	75,000.00	
On-Site Abnormal Site Works	£	338,163.00	£ 1,277,404.00

### **Abnormals Substructure**

Abnormal Foundations	£	41,255.00	
Tanking to Split Level Plots	£	81,250.00	£ 122,505.00

### **Abnormals Local Siteworks**

Retaining Walls / Details	£	1,704,940.00	
Highway Retaining & Commuted Sum	£	135,000.00	
Land Drainage	£	15,420.00	£ 1,855,360.00

### **Abnormals Site Overheads**

Silt and Dust Management	£	12,500.00	£ 12,500.00
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### **Abnormals Other**

POS Works - Grading/Topsoiling & Landscaping	£	115,727.00	£ 115,727.00
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**Total**                      **£ 3,737,726.00**

## **Appendix III**

### **Development Appraisal of Policy Compliant Scheme (15 affordable units)**

Development Appraisal  
Avison Young  
09 March 2023

**Appraisal Summary for Phase 1**

Currency in £

**REVENUE**

Sales Valuation	Units	ft <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales
N201	8	6,088	280.00	213,080	1,704,640
N302	2	1,956	270.00	264,060	528,120
N303S	2	1,956	270.00	264,060	528,120
N303A	7	6,986	270.00	269,460	1,886,220
SL03 ALT	6	7,128	260.00	308,880	1,853,280
N306	2	2,862	245.00	350,595	701,190
N308	6	6,372	270.00	286,740	1,720,440
N313	11	11,726	265.00	282,490	3,107,390
N400	3	4,050	255.00	344,250	1,032,750
N402	2	2,492	260.00	323,960	647,920
N405	1	1,538	235.00	361,430	361,430
N403B	1	1,387	250.00	346,750	346,750
<b>Totals</b>	<b>51</b>	<b>54,541</b>			<b>14,418,250</b>

**NET REALISATION**

**14,418,250**

**OUTLAY**

**ACQUISITION COSTS**

Fixed Price	530,000		
Fixed Price (4.70 Acres @ 112,765.96 /Acre)		530,000	530,000
Stamp Duty		16,000	16,000
Effective Stamp Duty Rate	3.02%		
Agent Fee	1.00%	5,300	5,300
Legal Fee	0.50%	2,650	2,650
			<b>23,950</b>

**CONSTRUCTION COSTS**

Construction	ft <sup>2</sup>	Build Rate ft <sup>2</sup>	Cost
N201	6,088	112.00	681,856
N302	1,956	112.00	219,072
N303S	1,956	112.00	219,072
N303A	6,986	112.00	782,432
SL03 ALT	7,128	112.00	798,336
N306	2,862	112.00	320,544
N308	6,372	112.00	713,664
N313	11,726	112.00	1,313,312
N400	4,050	112.00	453,600
N402	2,492	112.00	279,104
N405	1,538	112.00	172,256
N403B	1,387	112.00	155,344
<b>Totals</b>	<b>54,541 ft<sup>2</sup></b>		<b>6,108,592</b>
Contingency		5.00%	305,430
			<b>6,414,022</b>

**Other Construction**

Electrical Vehicle Charging	28,120
Building Regulations Alterations	225,000
Abnormals Site Clearance/Protection	66,300
Abnormals Main Siteworks	1,277,404
Abnormals Substructure	122,505
Abnormals Local Siteworks	1,855,360
Abnormals Other	115,727
Dust/silt Mangement	12,500
	<b>3,702,916</b>

**Section 106 Costs**

Public open space contribution	30,728
Formal recreation contribution	50,285
Sustainable travel contribution	38,732
Biodiversity net gain	105,500
	<b>225,245</b>

**Section 278 Costs**

Baslow Crescent Junction Works	34,810
	<b>34,810</b>

**PROFESSIONAL FEES**

All Professional fees	8.00%	490,937
		<b>490,937</b>

**APPRAISAL SUMMARY****AVISON YOUNG****DISPOSAL FEES**

Sales, Legals and Marketing	2.50%	360,456	360,456
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**FINANCE**

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)			
Land		39,872	
Construction		232,474	
Other		57,944	
Total Finance Cost			330,290

**TOTAL COSTS****12,112,625****PROFIT****2,305,625****Performance Measures**

Profit on Cost%	19.03%
Profit on GDV%	15.99%
Profit on NDV%	15.99%

Profit Erosion (finance rate 6.000) 2 yrs 11 mths

## **Appendix IV**

**Development Appraisal of Non -Policy  
Compliant Scheme (0 affordable  
units)**

Development Appraisal  
Avison Young  
09 March 2023

**Appraisal Summary for Phase 1**

Currency in £

**REVENUE**

Sales Valuation	Units	ft <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales
N201 - AH	8	6,088	140.00	106,540	852,320
N302 - AH	2	1,956	135.00	132,030	264,060
N303S - AH	2	1,956	135.00	132,030	264,060
N303A - AH	3	2,994	135.00	134,730	404,190
N303A	4	3,992	270.00	269,460	1,077,840
SL03 ALT	6	7,128	260.00	308,880	1,853,280
N306	2	2,862	245.00	350,595	701,190
N308	6	6,372	270.00	286,740	1,720,440
N313	11	11,726	265.00	282,490	3,107,390
N400	3	4,050	255.00	344,250	1,032,750
N402	2	2,492	260.00	323,960	647,920
N405	1	1,538	235.00	361,430	361,430
N403B	1	1,387	250.00	346,750	346,750
<b>Totals</b>	<b>51</b>	<b>54,541</b>			<b>12,633,620</b>

**NET REALISATION**

**12,633,620**

**OUTLAY**

**ACQUISITION COSTS**

Fixed Price	530,000		
Fixed Price (4.70 Acres @ 112,765.96 /Acre)		530,000	
			530,000
Stamp Duty		16,000	
Effective Stamp Duty Rate	3.02%		
Agent Fee	1.00%	5,300	
Legal Fee	0.50%	2,650	
			23,950

**CONSTRUCTION COSTS**

Construction	ft <sup>2</sup>	Build Rate ft <sup>2</sup>	Cost
N201 - AH	6,088	112.00	681,856
N302 - AH	1,956	112.00	219,072
N303S - AH	1,956	112.00	219,072
N303A - AH	2,994	112.00	335,328
N303A	3,992	112.00	447,104
SL03 ALT	7,128	112.00	798,336
N306	2,862	112.00	320,544
N308	6,372	112.00	713,664
N313	11,726	112.00	1,313,312
N400	4,050	112.00	453,600
N402	2,492	112.00	279,104
N405	1,538	112.00	172,256
N403B	1,387	112.00	155,344
<b>Totals</b>	<b>54,541 ft<sup>2</sup></b>		<b>6,108,592</b>
Contingency		5.00%	305,430
			6,414,022

**Other Construction**

Electrical Vehicle Charging	28,120
Building Regulations Alterations	225,000
Abnormals Site Clearance/Protection	66,300
Abnormals Main Siteworks	1,277,404
Abnormals Substructure	122,505
Abnormals Local Siteworks	1,855,360
Abnormals Other	115,727
Dust/silt Mangement	12,500
	3,702,916

**Section 106 Costs**

POS contribution	30,728
Formal recreation	50,285
Sustainable travel contribution	38,732
Biodiversity net gain	105,500
	225,245

**Section 278 Costs**

Baslow Crescent Junction Works	34,810
	34,810

**PROFESSIONAL FEES**

**APPRAISAL SUMMARY****AVISON YOUNG**

All Professional fees	8.00%	490,937	490,937
<b>DISPOSAL FEES</b>			
Sales, Legals and Marketing	2.50%	315,841	315,841
<b>FINANCE</b>			
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)			
Land		39,872	
Construction		256,433	
Other		78,308	
Total Finance Cost			374,613
<b>TOTAL COSTS</b>			<b>12,112,333</b>
<b>PROFIT</b>			<b>521,287</b>
<b>Performance Measures</b>			
Profit on Cost%	4.30%		
Profit on GDV%	4.13%		
Profit on NDV%	4.13%		
Profit Erosion (finance rate 6.000)	8 mths		

# Contact Details

## Enquiries

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