



**Viability Report for
Sourced Developments**

**Land off Roughbircworth Lane
Oxspring
S36 8YZ**

(Barnsley Metropolitan Borough Council.)

March 2023

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Introduction

1. DJC Housing Consultants have been instructed by Sourced Developments to advise on the viability of the proposed development at Land off Roughbitchworth Lane, Oxspring with regard to Barnsley Metropolitan Borough Council's (BMBC) affordable housing requirements.
2. The property comprises a former farm/small holding with a collection of stone built farm houses and a collection of brick and block farm buildings. The redundant buildings sit on an irregular shaped site that totals approximately 0.841 hectares (2.079 acres).
3. The site has outline planning permission (Ref: 2018/1433) for the demolition of all buildings within the site and proposed residential development of 22 dwellings and the reserved matters application (Ref: 2022/0007) has been approved.
4. The Officer report says the following:

Affordable Housing – The layout plan shows 7 (30%) affordable properties comprising 3 x 2 beds and 4 x 3 beds. The proposed mix and layout is acceptable and in line with the outline approval.

5. The S106 agreement says the following:

“Affordable Housing Units”

means 7 (seven) Dwellings of Affordable Housing comprising 5 Affordable Housing for Rent Dwellings being two 2 bedroomed dwellings and three 3 bedroomed dwellings and 2 Shared Ownership Dwellings being one 2 bedroomed dwellings and one 3 bedroomed dwellings to be provided in accordance with paragraph 1 of the First Schedule or such other mix and size of units as may be approved by the Council and reference to "Affordable Housing Unit" shall be construed accordingly;

6. The S106 agreement goes on to say the following:

"Affordable Housing Unit Prices" means a price being not greater than 50% of the Open

Market Value of an equivalent open market unit or such other discounted sum agreed with the Registered Provider that is financially viable for a Registered Provider to be able to purchase an Affordable Housing Unit;

7. This report will seek to demonstrate that the scheme is not able to provide the full affordable housing contribution due to viability issues.
8. In addition to the report, we are attaching an appraisal, using the HCA DAT toolkit which calculates the surplus or deficit left using a residual land calculation. The **benchmark land value** and **profit** levels are both fixed inputs into the appraisal. This is used to establish whether the quantum of on-site affordable housing required by the Council is viable.

Viability Guidance

9. In advising the Council in respect of viability, we need to have regard to published guidance. In this respect, we are considering in particular the National Planning Policy Framework (NPPF) July 2021; The Planning Practice Guidance, updated September 2019 and the RICS publication "Assessing viability in planning under the NPPF - March 2021".
10. With regard to NPPF, we believe that paragraph 58 is particularly relevant. It states:

"58. 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 particular 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."

11. The Planning Policy Guidance goes on to say the following:

"Such circumstances could include, for example where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force."

and

"Any viability assessment should reflect the government's recommended approach to defining key inputs as set out in National Planning Guidance."

12. The updated PPG goes on to say the following:

***"Standardised inputs to viability assessment
What are the principles for carrying out a viability assessment?"***

Viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return.

This National Planning Guidance sets out the government's recommended approach to viability assessment for planning. The approach supports accountability for communities by enabling them to understand the key inputs to and outcomes of viability assessment."

13. It also goes on to look at the following:

- *How should gross development value be defined for the purpose of viability assessment?*
- *How should costs be defined for the purpose of viability assessment?*
- *How should land value be defined for the purpose of viability assessment?*

- *What factors should be considered to establish benchmark land value?*
- *What is meant by existing use value in viability assessment?*
- *How should the premium to the landowner be defined for viability assessment?*
- *Can alternative uses be used in establishing benchmark land value?*
- *How should a return to developers be defined for the purpose of viability assessment?*

14. Between NPPF and RICS the guidance presents a case for requiring flexibility in the face of changing market conditions, whilst affirming that development will entail an element of risk for the developer. A viability assessment needs to take both these positions into account.

15. The ability of the site to contribute a level of affordable housing needs to be assessed through a consideration of the various inputs into the development appraisals.

Appraisal Inputs

16. We have considered the main inputs into a development appraisal as follows:

Sales Values

17. The overall recovery of the housing market will be determined by the state of the wider economy and consumer finances. A return to normality, once conditions relax, will need to be supported by substantial incentives.

18. It will inevitably take time for the market to return to normal and for sales values to stabilise, not to mention consumer confidence which is at an all-time low. In this respect the current market conditions are changing almost daily, and the ongoing uncertainty will inevitably place greater risks on development, particularly on sites such as this one.

19. The Applicant clearly recognises the need to deliver housing throughout the district but the current circumstances and likely medium to long-term market impacts should, in our opinion, be afforded considerable weight as part of the decision-making process.

20. We have been provided with proposed sales values by Sourced Developments who have carried out research into the local housing market and have experience of developing similar schemes to this. They have consulted with Edisons (incorporating Taylors Business Surveyors) Estate Agents on Witton Street and CW Estate Agents.

21. Their report says the following:

In arriving at our opinion of Gross Development Value (GDV) we have adopted the following values:-

House Type	Beds	Rate Per sq ft	Market Value	Number of Dwellings	Total Values
A	3	£140*	£115,000	2	£230,000
B	3	£140*	£140,000	2	£280,000
C	2	£140*	£80,000	3	£240,000
D	4	£275	£475,000	4	£1,900,000
E	4	£307	£500,000	5	£2,500,000
F	4	£313	£525,000	4	£2,100,000
G	5	£298	£650,000	2	£1,300,000

*This reflects a 50% reduction from house type D for affordable housing purposes.

Our opinion of GDV is therefore £8,550,000.

A further breakdown is provided below:

Plot	Type	Floor Area (Sq Ft)	Market Value (£)	PSF (£)
Plot 1	Three bedroom semi-detached	914	£115,000	£126
Plot 2	Three bedroom semi-detached	914	£115,000	£126
Plot 3	Three bedroom semi-detached	1,114	£140,000	£126
Plot 4	Three bedroom semi-detached	1,114	£140,000	£126
Plot 5	Two bedroom terrace	635	£80,000	£126
Plot 6	Two bedroom terrace	635	£80,000	£126
Plot 7	Two bedroom terrace	635	£80,000	£126
Plot 8	Four bedroom detached	1,627	£500,000	£323
Plot 9	Four bedroom detached	1,627	£500,000	£323
Plot 10	Four bedroom detached	1,730	£475,000	£280
Plot 11	Four bedroom detached	1,627	£500,000	£323
Plot 12	Five bedroom detached	2,184	£650,000	£300
Plot 13	Five bedroom detached	2,184	£650,000	£300
Plot 14	Four bedroom detached	1,627	£500,000	£323
Plot 15	Four bedroom detached	1,730	£475,000	£280
Plot 16	Four bedroom detached	1,730	£475,000	£280
Plot 17	Four bedroom detached	1,678	£525,000	£325
Plot 18	Four bedroom detached	1,678	£525,000	£325
Plot 19	Four bedroom detached	1,678	£525,000	£325
Plot 20	Four bedroom detached	1,730	£475,000	£280
Plot 21	Four bedroom detached	1,678	£525,000	£325
Plot 22	Four bedroom detached	1,627	£500,000	£323
		32,096	£8,550,000	

22. We have adopted these figures in our appraisal.

Affordable Housing

23. As outlined above the required affordable housing provision is for 7 units to be provided on-site.

Build Costs

24. The latest BCIS figures for new build houses (estate housing detached) rebased to the Barnsley Council area show a range of build costs from a lower quartile rate of £1,256 per m² to an upper quartile rate of £1,746 per m² with a mean rate of £1,639 per m² (See Appendix 2).

25. It should be noted this BCIS figure does not include external works for which we normally make an allowance of around 15%.

26. This results in an overall build cost rate of £1,885 per m².

27. We have adopted this rate in our appraisals.

28. We have shown the build cost contingencies separately in the appraisal. These have been set at 5% of the base build cost.

29. It should be noted that generically we expect Lenders will want to see a developer's contingency of at least 5% on all projects.

30. However, we would also expect there to be an adjustment for Covid-19 conditions, Brexit and the current economic climate. This would lead to a cost risk of say 6-8%. We anticipate Developer's contingency of 10% is going to increasingly become the norm.

31. In addition, BCIS are now including a separate adjustment for COVID costs which they expect developers to take into account. It says the following:

"The Covid-19 pandemic and BREXIT are having a major effect on the economy and construction and will affect individual projects in different ways. When providing early cost advice, some of the impact of Covid-19 on the estimate for a proposed project should be allowed for by the Tender Price Index, but in the short term the index may not fully reflect all changes, individual projects may be affected to a greater or lesser extent and there may be additional costs not reflected in the tender price depending on procurement choices.

Factors to consider

Productivity:

changes in productivity resulting from the implementation of site operating procedures (SOP)

Preliminaries

Lengthening due to extended contract periods

Thickening due to increased cost of supervision for SOP, increased welfare, PPE etc.

Market conditions

reduced demand

reduced availability of resources

increased overheads

reduced profit.

32. However, at this stage, we have left the contingencies at 5%.

Scheme timing

33. We have assumed a 6-month lead-in period to allow for planning, building regulations, tendering, etc and an 18-month build period. We have assumed a sales rate of 2 per month following completion.

Professional Fees

34. We have made an allowance for the professional fees at 10% of the build cost which is a fair and reasonable assumption for a scheme such as this.

Sales Fees (agent's fees & marketing costs)

35. We have shown the sales fees at 2% and marketing fees at 1% of open market value which is a conservative assumption for a scheme such as this.

Interest

36. HCA DAT recognises that finance costs would include an arrangement fee payable to a bank for arranging finance for the scheme, interest payable on the loan typically around 4-6% above 3-month LIBOR rate and miscellaneous fees such as monitoring surveyors.

37. This would suggest that a figure of 7.5% is in line with current lending rates. This figure includes arrangement fees and surveyor fees that are normally applied by banks.

38. It should be noted that interest rates have risen recently and are likely to do so again soon. This is the figure we have used in our appraisal.

CIL / S106

39. The required S106 contributions are as follows:

Education	= £48,000
Off-site open space	
£1,524.32 per 2-bed	= £7,314.48
£1,828.62 per 3-bed	= £4,572.96
£2,135.72 per 4-bed	= £32,035.80
Sustainable travel	= £22,000

Total S106 contribution =£113,923.24

This figure will be subject to indexation.

40. We have not made any allowance for CIL as this has not yet been adopted.

Profit

41. At Appeal and Local Planning Inquiries the level of profit a scheme should make has been the subject of debate with expert witnesses and Inspectors coming to the view that, if at all possible, schemes should make a minimum of 20% profit on sales over cost. There are reasons why schemes progress with lower levels of profit, equally some developer interests will not consider any scheme unless it makes a profit of at least 25%.

42. We have applied a profit level of 20% on GDV for the open market units and 6% for any affordable units.

Existing Use Value / Benchmark Land Value

43. The Planning Practice Guidance says the following:

"How should land value be defined for the purpose of viability assessment?"

*To define land value for any viability assessment, a benchmark land value should be established on the basis of the **existing use value (EUV)** of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum 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. This approach is often called 'existing use value plus' (EUV+).

In order to establish benchmark land value, plan makers, landowners, developers, infrastructure and affordable housing providers should engage and provide evidence to inform this iterative and collaborative process."

44. It is our opinion that the "benchmark land value" for this appraisal should be EUV + an uplift (to incentivise the owner to sell).

45. The property comprises a former farm/small holding with a collection of stone built farm houses and a collection of brick and block farm buildings. The redundant buildings sit on an irregular shaped site that totals approximately 0.841 hectares (2.079 acres).

46. At this stage we have assumed the existing use value of the land to be agricultural with a value of £10,000 per acre. This equates to an EUV of £20,790.

47. In order to incentivise the landowner, we have applied an uplift of 20 times agricultural value resulting in a BLV of £415,800.

48. The residual land value needs to be compared to the benchmark value.

49. We have carried out an appraisal, using the HCA DAT toolkit which calculates the surplus or deficit left using the assumptions outlined above. The **benchmark land value** and the **profit** levels are both fixed inputs into the appraisal.

Conclusions

50. The appraisal shown at Appendix 1 which shows the consented scheme with 7 affordable units and shows that when the benchmark land value (£415,800) is input along with the profit there is a **deficit of -£763,422** which means that the scheme is not able to provide the full affordable housing contribution.
51. We then carried out a further appraisal with 100% open market housing.
52. This appraisal, which can be found at Appendix 3 shows that when the benchmark land value (£415,800) is input along with the profit there is a **deficit of -£288,808.**
53. It is our opinion that this appraisal demonstrates that the developer cannot provide any affordable housing on this scheme.
54. The developer has confirmed that they would proceed on this basis (with a reduced profit level) and would still be able to make the S106 payment of £113,923.24.

End of Report
DJC Housing Consultants Ltd
March 2023

APPENDIX 1

Surplus (Deficit) from Input land valuation at 1/3/2023**-763,422**

HCA Development Appraisal Tool

INPUT SHEET 1 - SITE DETAILS

Basic Site Details

FULL VIABILITY ASSESSMENT

Site Address	Land off Roughbitchworth Lane, Oxspring
OS X coordinate	
OS Y coordinate	
Site Reference	Appendix 1
File Source	
Scheme Description	15 open market houses and 7 affordable
Date of appraisal	01/03/2023
Gross Site Area (hectares)	
Net Residential Site Area (hectares)	
Author & Organisation	David Coate - DJC Housing Consultants
Local Planning Authority	Barnsley
Land Purchase Price	415,800
Land Purchase date	01/03/2023
Most recent valuation of the site £	415,800
Basis of valuation	Existing Use
Date of valuation	01/03/2023
Any note on valuation	
Developer of sale units	
Developer of affordable units	
Manager of affordable units	
Registered Provider (where applicable)	
Note on applicant (eg sub partner status)	

[illegible]

Date of scheme appraisal01-Mar-23

from Site Sheet

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

Build Period	Construction Start Date	Construction End Date
Tenure phases display for date input only after transfer from Input 2 sheet		
Affordable Houses ph 1	01-Sep-23	01-Mar-25
OM 1:Phase 1	01-Sep-23	01-Mar-25

RP Purchase from Developer	Purchase start date	Purchase end date
AH phases display for date input only after transfer from Input 2 sheet		
Shared Ownership phase 1	01-Mar-25	01-Mar-25
Affordable Rent phase 1	01-Mar-25	01-Mar-25

Open Market Sale	Sale Start Date	Sale End Date
OM phases display for date input only after transfer from Input 2 sheet		
OM Sales1:Phase 1	01-Mar-25	01-Sep-25

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

Monthly
Sales
rate

2.14

		Building Cost £ per Sq m GROSS area	Net to Gross Adjustment		Maximum height in floors (flats only)		Avg Cost pu
Shared Ownership phase 1	Houses	1,885					153,200
Affordable Rent phase 1	Houses	1,885					147,577
Open Market Phase 1:	Houses	1,885					305,232
Fees & Contingencies as % of Building Costs		%				£ Total	
Design and Professional Fees % (Architects, QS, Project Management)		10.00%				562,277	
Residential Building Contingencies (% of Building Costs)		5.00%				281,138	
* This section excludes Affordable Housing section 106 payments		All dates must be between		01-Mar-23	24-Feb-43		
		'Historic' costs incurred earlier may be entered as		01-Mar-23	PROVIDED they are not taken into account in the site valuation (& hence double counted)		
External Works & Infrastructure Costs (£)							Cost per unit (all tenures)
Phase 1	Comment on nature of issue	Cost (£)	Payment Start Date	Payment end date			
			01-Sep-23	01-Jan-25			
External Works & Infrastructure Costs (£)							
Prelims							
Services (Power, Water, Gas, Telco and IT)							
NHBC							
Public Open Space							
Site Specific Sustainability Initiatives							
Plot specific external works							
Other 1							
Other 2							
Site Abnormals (£)	Comment on nature of issue	Cost (£)	Payment Start Date	Payment end date			Cost per unit (all tenures)
De-canting tenants							
Decontamination							
Other							
Other 2							
Other 3							
Other 4							
Other 5							
		Building Costs (£ / car parking space)		Payment Date			

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

£0

Total number of residential car parking spaces

(Open Market and Affordable)

Statutory Payments (£)

Additional information

Cost (£)

Payment start date

Payment end date

Per unit

Education

Sport & Recreation

Social Infrastructure

Public Realm

Affordable Housing

Transport

Highway

Health

Public Art

Flood work

Community Infrastructure Levy

per sq metre

Other Tariff

per unit

S106

£113,923

01-Mar-23

01-Jan-25

5,178

Construction Training

Other 4

OTHER COSTS**SITE PURCHASE COSTS**

%

Agents Fees (% of site cost)

1.00%

Legal Fees (% of site cost)

0.75%

Stamp Duty (% of site cost)

4.00%

Comment on nature of issue

Cost (£)

Payment start date

Payment end date

Other Acquisition Costs (£)

FINANCE COSTS

Arrangement Fee (£)

£0

Interest Rate (%)	7.50%
Misc Fees - Surveyors etc (£)	
Credit balance reinvestment %	4.00%

MARKETING COSTS

Affordable Housing Marketing Costs

	Cost (£)	Payment start date	Payment end date
Developer cost of sale to RP (£)	£0		
RP purchase costs (£)	£0		
Intermediate Housing Sales and Marketing (£)	£0		

Open Market Housing Marketing Costs

Sales Fees (agents fees & marketing fees) - %	3.00%
Legal Fees (per Open Market unit) - £	£1,000
Agents Private Rental Initial Letting fees - %	

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

Developer O/head (£)			Return at Scheme end
Open Market Housing (% GDV)	20.00%	20.0%	inc Overheads
		104,000	per open market home
Private Rental (% Cost)			
Affordable Housing (% Cost)	6.00%		

Surplus (Deficit) from Input land valuation at 1/3/2023**-£763,422****HCA DEVELOPMENT APPRAISAL TOOL****SUMMARY****DETAIL****SCHEME**

Site Address Land off Roughbitchworth Lane, Oxspring
 Site Reference Appendix 1
 File Source

Date of appraisal 01/03/2023
 Net Residential Site Area
 Author & Organisation David Coate - DJC Housing Consultants

Scheme Description 15 open market houses
 and 7 affordable

Registered Provider (where)

Housing Mix (Affordable + Open Market)

Total Number of Units	22	units
Total Number of Open Market Units	15	units
Total Number of Affordable Units	7	units
Total Net Internal Area (sq m)	2,983	sq m
% Affordable by Unit	31.8%	
% Affordable by Area	18.6%	
Density	No Area input	units/ hectare
Total Number of A/H Persons	0	Persons
Total Number of Open Market Persons	0	Persons
Total Number of Persons	0	Persons
Gross site Area	0.00	hectares
Net Site Area	0.00	hectares
Net Internal Housing Area / Hectare	-	sq m / hectare

Average value (£ per unit)	Open Market Phase 1:	Open Market Phase 2:	Open Market Phase 3:	Open Market Phase 4:	Open Market Phase 5:	Total
1 Bed Flat Low rise	£0	£0	£0	£0	£0	
2 Bed Flat Low rise	£0	£0	£0	£0	£0	
3 Bed Flat Low rise	£0	£0	£0	£0	£0	
4 Bed + Flat Low rise	£0	£0	£0	£0	£0	
1 Bed Flat High rise	£0	£0	£0	£0	£0	
2 Bed Flat High rise	£0	£0	£0	£0	£0	
3 Bed Flat High rise	£0	£0	£0	£0	£0	
4 Bed + Flat High rise	£0	£0	£0	£0	£0	
2 Bed House	£0	£0	£0	£0	£0	
3 Bed House	£0	£0	£0	£0	£0	
4 Bed + House	£520,000	£0	£0	£0	£0	
Total Revenue £	£7,800,000	£0	£0	£0	£0	£7,800,000
Net Area (sq m)	2,429	-	-	-	-	2,429
Revenue (£ / sq m)	£3,211	-	-	-	-	

CAPITAL VALUE OF OPEN MARKET SALES**£7,800,000**

Capital Value of Private Rental

Phase 1	£0
Phase 2	£0
Phase 3	£0
Phase 4	£0
Phase 5	£0
Total PR	£0

CAPITAL VALUE OF OPEN MARKET HOUSING**£7,800,000** £ 3,211 psqm**BUILD COST OF OPEN MARKET HOUSING inc Contingency****£4,807,407** £ 1,979 psqm**CONTRIBUTION TO SCHEME COSTS FROM OPEN MARKET HOUSING****£2,992,593****AH Residential Values****AH & RENTAL VALUATION BASED ON CAPITAL VALUES for RESIDUAL VALUATION**

Type of Unit	Social Rented	Shared Ownership (all phases)	Affordable Rent (all phases)	Total
1 Bed Flat Low rise				
2 Bed Flat Low rise				
3 Bed Flat Low rise				
4 Bed + Flat Low rise				
1 Bed Flat High rise				
2 Bed Flat High rise				
3 Bed Flat High rise				
4 Bed + Flat High rise				
2 Bed House		£80,000	£160,000	£240,000
3 Bed House		£140,000	£370,000	£510,000
4 Bed + House				
	£0	£220,000	£530,000	£750,000

£ psqm of CV (phase 1) - 1,171 1,354

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (EXCLUDING OTHER FUNDING)**£750,000**

RP Cross Subsidy (use of own assets)

£0

LA s106 commuted in lieu

£0

RP Re-cycled SHG

£0

Use of AR rent conversion income

£0

Other source of AH funding

£0

OTHER SOURCES OF AFFORDABLE HOUSING FUNDING**£0****CAPITAL VALUE OF ALL AFFORDABLE HOUSING (INCLUDING OTHER FUNDING)****£750,000****BUILD COST OF AFFORDABLE HOUSING inc Contingency****£1,096,497** £ 1,979 psqm**CONTRIBUTION TO SCHEME COSTS FROM AFFORDABLE HOUSING****-£346,497****Car Parking**

No. of Spaces	Price per Space (£)	Value
-	£0	

Value of Residential Car Parking

£0

Car Parking Build Costs £0

Ground rent**Capitalised annual
ground rent**

Social Rented £0
Shared Ownership £0
Affordable Rent £0

Open market (all phases) £0

Capitalised Annual Ground Rents

£0

TOTAL CAPITAL VALUE OF RESIDENTIAL SCHEME**£8,550,000****TOTAL BUILD COST OF RESIDENTIAL SCHEME****£5,903,904****TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME****£2,646,096****Non-Residential**

	Cost	Values
Office	£0	£0
Retail	£0	£0
Industrial	£0	£0
Leisure	£0	£0
Community Use	£0	£0
Community Infrastructure Levy	£0	£0

CAPITAL VALUE OF NON-RESIDENTIAL SCHEME**£0****COSTS OF NON-RESIDENTIAL SCHEME****£0****CONTRIBUTION TO SCHEME COSTS FROM NON-RESIDENTIAL****£0****GROSS DEVELOPMENT VALUE OF SCHEME****£8,550,000****TOTAL BUILD COSTS****£5,903,904****TOTAL CONTRIBUTION TO SCHEME COSTS****£2,646,096****External Works & Infrastructure Costs (£)**

	£0	£0	Per unit	% of GDV	per Hectare
External Works & Infrastructure Costs (£)	£0	£0			
Prelims	£0	£0			
Services (Power, Water, Gas, Telco and IT)	£0	£0			
NHBC	£0	£0			
Public Open Space	£0	£0			
Site Specific Sustainability Initiatives	£0	£0			
Plot specific external works	£0	£0			
Other 1	£0	£0			
Other 2	£0	£0			

Other site costs

Fees and certification	10.0%	£562,277	25,558	6.6%	
Other Acquisition Costs (£)		£0			

Site Abnormals (£)

De-canting tenants	£0
Decontamination	£0
Other	£0
Other 2	£0
Other 3	£0
Other 4	£0
Other 5	£0

Total Site Costs inc Fees**£562,277**

25,558

Statutory 106 Costs (£)

Education	£0	
Sport & Recreation	£0	
Social Infrastructure	£0	
Public Realm	£0	
Affordable Housing	£0	
Transport	£0	
Highway	£0	
Health	£0	
Public Art	£0	
Flood work	£0	
Community Infrastructure Levy	£0	
Other Tariff	£0	
S106	£113,923	5,178
0	£0	
Construction Training	£0	
Other 4	£0	

Statutory 106 costs**£113,923**

5,178

Marketing (Open Market Housing ONLY)

		per OM unit
Sales/letting Fees	3.0%	£234,000 15,600
Legal Fees (per Open Market unit):	£1,000	£15,000 1,000

Marketing (Affordable Housing)

	per affordable unit
Developer cost of sale to RP (£)	£0
RP purchase costs (£)	£0
Intermediate Housing Sales and Marketing (£)	£0

Total Marketing Costs**£249,000****Total Direct Costs****£6,829,104****Finance and acquisition costs**

Land Payment	£415,800	27,720 per OM home	#DIV/0!	#DIV/0!
Arrangement Fee	£0	0.0% of interest		

Misc Fees (Surveyors etc)	£0	0.00% of scheme value
Agents Fees	£4,158	
Legal Fees	£3,119	
Stamp Duty	£16,632	
Total Interest Paid	£573,246	

Total Finance and Acquisition Costs **£1,012,955**

Developer's return for risk and profit

Residential

Market Housing Return (inc OH) on Val	20.0%	£1,560,000	104,000 per OM unit
Affordable Housing Return on Cost	6.0%	£62,657	8,951 per affordable unit
Return on sale of Private Rent	0.0%	£0	#DIV/0! per PR unit

Non-residential

Office	£0	
Retail	£0	
Industrial	£0	
Leisure	£0	
Community-use	£0	£0

Total Operating Profit **£1,622,657**

(i.e. profit after deducting sales and site specific finance costs but before deducting developer overheads and taxation)

TOTAL COST **£9,464,716**

Surplus/(Deficit) at completion 1/9/2025 **(£914,716)**

Present Value of Surplus (Deficit) at 1/3/2023 **(£763,422)**

Scheme Investment MIRR **11.7%** (before Developer's returns and interest to avoid double counting returns)

Site Value as a Percentage of Total Scheme Value 4.9% Peak Cash Requirement -£7,152,613

Site Value (PV) per hectare No area input per hectare No area input per acre

APPENDIX 2

£/m2 study

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

Last updated: 11-Feb-2023 05:59

➤ Rebased to Barnsley (88; sample 34)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
810.1 Estate housing							
Generally (15)	1,256	605	1,069	1,208	1,375	4,328	1413
Single storey (15)	1,423	853	1,210	1,383	1,583	4,328	232
2-storey (15)	1,210	605	1,050	1,174	1,324	2,639	1095
3-storey (15)	1,317	785	1,102	1,259	1,496	2,579	81
4-storey or above (15)	2,631	1,286	2,105	2,350	3,499	3,914	5
810.11 Estate housing detached (15)	1,639	923	1,256	1,412	1,746	4,328	21
810.12 Estate housing semi detached							
Generally (15)	1,263	739	1,081	1,240	1,386	2,303	345
Single storey (15)	1,406	915	1,218	1,394	1,550	2,303	77
2-storey (15)	1,222	739	1,072	1,190	1,334	2,171	257
3-storey (15)	1,215	925	978	1,196	1,376	1,795	11
810.13 Estate housing terraced							
Generally (15)	1,290	754	1,049	1,210	1,419	3,914	242
Single storey (15)	1,478	948	1,228	1,518	1,702	2,070	20
2-storey (15)	1,233	754	1,041	1,177	1,349	2,639	183
3-storey (15)	1,339	785	1,085	1,219	1,523	2,579	37
4-storey or above (10)	3,707	3,499	-	-	-	3,914	2

APPENDIX 3

Surplus (Deficit) from Input land valuation at 1/3/2023**-288,808**

HCA Development Appraisal Tool

INPUT SHEET 1 - SITE DETAILS

Basic Site Details

FULL VIABILITY ASSESSMENT

Site Address	Land off Roughbitchworth Lane, Oxspring
OS X coordinate	
OS Y coordinate	
Site Reference	Appendix 3
File Source	
Scheme Description	22 open market houses
Date of appraisal	01/03/2023
Gross Site Area (hectares)	
Net Residential Site Area (hectares)	
Author & Organisation	David Coate - DJC Housing Consultants
Local Planning Authority	Barnsley
Land Purchase Price	415,800
Land Purchase date	01/03/2023
Most recent valuation of the site £	415,800
Basis of valuation	Existing Use
Date of valuation	01/03/2023
Any note on valuation	
Developer of sale units	
Developer of affordable units	
Manager of affordable units	
Registered Provider (where applicable)	
Note on applicant (eg sub partner status)	

[illegible]

Date of scheme appraisal01-Mar-23from Site Sheet

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

Build Period	Construction Start Date	Construction End Date
Tenure phases display for date input only after transfer from Input 2 sheet		
Affordable Houses ph 1	01-Sep-23	01-Mar-25
OM 1:Phase 1	01-Sep-23	01-Mar-25

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

Open Market Sale	Sale Start Date	Sale End Date
OM phases display for date input only after transfer from Input 2 sheet		
OM Sales1:Phase 1	01-Mar-25	01-Sep-25

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

Monthly Sales rate3.14

		Building Cost £ per Sq m GROSS area	Net to Gross Adjustment	Maximum height in floors (flats only)	Avg Cost pu
Open Market Phase 1:	Houses	1,885			255,580
Fees & Contingencies as % of Building Costs		%	£ Total		
Design and Professional Fees % (Architects, QS, Project Management)		10.00%	562,277		
Residential Building Contingencies (% of Building Costs)		5.00%	281,138		
* This section excludes Affordable Housing section 106 payments		All dates must be between 'Historic' costs incurred earlier may be entered as	01-Mar-23 01-Mar-23	24-Feb-43 PROVIDED they are not taken into account in the site valuation (& hence double counted)	
External Works & Infrastructure Costs (£)	Comment on nature of issue	Cost (£)	Payment Start Date	Payment end date	Cost per unit (all tenures)
Phase 1			01-Sep-23	01-Jan-25	
External Works & Infrastructure Costs (£)					
Prelims					
Services (Power, Water, Gas, Telco and IT)					
NHBC					
Public Open Space					
Site Specific Sustainability Initiatives					
Plot specific external works					
Other 1					
Other 2					
Site Abnormals (£)	Comment on nature of issue	Cost (£)	Payment Start Date	Payment end date	Cost per unit (all tenures)
De-canting tenants					
Decontamination					
Other					
Other 2					
Other 3					
Other 4					
Other 5					
		Building Costs (£ / car parking space)	Payment Date		
Residential Car Parking Building Costs (average cost / car parking space)		£0			
Total number of residential car parking spaces			(Open Market and Affordable)		

Statutory Payments (£)		Additional information	Cost (£)	Payment start date	Payment end date	Per unit
Education						5,178
Sport & Recreation						
Social Infrastructure						
Public Realm						
Affordable Housing						
Transport						
Highway						
Health						
Public Art						
Flood work						
Community Infrastructure Levy		per sq metre				
Other Tariff		per unit				
S106			£113,923	01-Mar-23	01-Jan-25	
Construction Training						
Other 4						

OTHER COSTS

SITE PURCHASE COSTS

Agents Fees (% of site cost)	1.00%
Legal Fees (% of site cost)	0.75%
Stamp Duty (% of site cost)	4.00%

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

FINANCE COSTS

Arrangement Fee (£)	£0
Interest Rate (%)	7.50%
Misc Fees - Surveyors etc (£)	

Credit balance reinvestment %	4.00%
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MARKETING COSTS

Affordable Housing Marketing Costs

	Cost (£)	Payment start date	Payment end date
Developer cost of sale to RP (£)	£0		
RP purchase costs (£)	£0		
Intermediate Housing Sales and Marketing (£)	£0		

Open Market Housing Marketing Costs

Sales Fees (agents fees & marketing fees) - %	3.00%
Legal Fees (per Open Market unit) - £	£1,000
Agents Private Rental Intial Letting fees - %	

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

Developer O/head (£)		Return at Scheme end
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Open Market Housing (% GDV)	20.00%	20.0%	inc Overheads
		85,773	per open market home
Private Rental (% Cost)			
Affordable Housing (% Cost)			

Surplus (Deficit) from input land valuation at 1/3/2023**-£288,808****HCA DEVELOPMENT APPRAISAL TOOL****SUMMARY****DETAIL****SCHEME**

Site Address Land off Roughbitchworth Lane, Oxspring
 Site Reference Appendix 3
 File Source
 Scheme Description 22 open market houses

Date of appraisal 01/03/2023
 Net Residential Site Area
 Author & Organisation David Coate - DJC Housing Consultants
 Registered Provider (where applicable)

Housing Mix (Affordable + Open Market)

Total Number of Units	22	units
Total Number of Open Market Units	22	units
Total Number of Affordable Units	0	units
Total Net Internal Area (sq m)	2,983	sq m
% Affordable by Unit	0.0%	
% Affordable by Area	0.0%	
Density	No Area input	units/ hectare
Total Number of A/H Persons	0	Persons
Total Number of Open Market Persons	0	Persons
Total Number of Persons	0	Persons
Gross site Area	0.00	hectares
Net Site Area	0.00	hectares
Net Internal Housing Area / Hectare	-	sq m / hectare

Average value (£ per unit)	Open Market Phase 1:	Open Market Phase 2:	Open Market Phase 3:	Open Market Phase 4:	Open Market Phase 5:	Total
1 Bed Flat Low rise	£0	£0	£0	£0	£0	
2 Bed Flat Low rise	£0	£0	£0	£0	£0	
3 Bed Flat Low rise	£0	£0	£0	£0	£0	
4 Bed + Flat Low rise	£0	£0	£0	£0	£0	
1 Bed Flat High rise	£0	£0	£0	£0	£0	
2 Bed Flat High rise	£0	£0	£0	£0	£0	
3 Bed Flat High rise	£0	£0	£0	£0	£0	
4 Bed + Flat High rise	£0	£0	£0	£0	£0	
2 Bed House	£175,000	£0	£0	£0	£0	
3 Bed House	£277,500	£0	£0	£0	£0	
4 Bed + House	£520,000	£0	£0	£0	£0	
Total Revenue £	£9,435,000	£0	£0	£0	£0	£9,435,000
Net Area (sq m)	2,983	-	-	-	-	2,983
Revenue (£ / sq m)	£3,163	-	-	-	-	

CAPITAL VALUE OF OPEN MARKET SALES**£9,435,000**

Capital Value of Private Rental

Phase 1	£0
Phase 2	£0
Phase 3	£0
Phase 4	£0
Phase 5	£0
Total PR	£0

CAPITAL VALUE OF OPEN MARKET HOUSING**£9,435,000** £ 3,163 psqm**BUILD COST OF OPEN MARKET HOUSING inc Contingency****£5,903,904** £ 1,979 psqm**CONTRIBUTION TO SCHEME COSTS FROM OPEN MARKET HOUSING****£3,531,096****AH Residential Values****AH & RENTAL VALUATION BASED ON CAPITAL VALUES for RESIDUAL VALUATION**

Type of Unit	Social Rented	Shared Ownership (all phases)	Affordable Rent (all phases)	Total
1 Bed Flat Low rise				
2 Bed Flat Low rise				
3 Bed Flat Low rise				
4 Bed + Flat Low rise				
1 Bed Flat High rise				
2 Bed Flat High rise				
3 Bed Flat High rise				
4 Bed + Flat High rise				
2 Bed House				
3 Bed House				
4 Bed + House				
	£0	£0	£0	£0

£ psqm of CV (phase 1)

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (EXCLUDING OTHER FUNDING)**£0**

RP Cross Subsidy (use of own assets)

£0

LA s106 commuted in lieu

£0

RP Re-cycled SHG

£0

Use of AR rent conversion income

£0

Other source of AH funding

£0

OTHER SOURCES OF AFFORDABLE HOUSING FUNDING**£0****CAPITAL VALUE OF ALL AFFORDABLE HOUSING (INCLUDING OTHER FUNDING)****£0****BUILD COST OF AFFORDABLE HOUSING inc Contingency****£0** #DIV/0!**CONTRIBUTION TO SCHEME COSTS FROM AFFORDABLE HOUSING****£0****Car Parking**

No. of Spaces	Price per Space (£)	Value
-	-	£0

Value of Residential Car Parking

£0

Car Parking Build Costs

£0

Ground rent

	Capitalised annual ground rent	
Social Rented	£0	
Shared Ownership	£0	
Affordable Rent	£0	
Open market (all phases)	£0	
Capitalised Annual Ground Rents		£0

TOTAL CAPITAL VALUE OF RESIDENTIAL SCHEME		£9,435,000
TOTAL BUILD COST OF RESIDENTIAL SCHEME	£5,903,904	
TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME		£3,531,096

Non-Residential

	Cost	Values
Office	£0	£0
Retail	£0	£0
Industrial	£0	£0
Leisure	£0	£0
Community Use	£0	£0
Community Infrastructure Levy	£0	

CAPITAL VALUE OF NON-RESIDENTIAL SCHEME		£0
COSTS OF NON-RESIDENTIAL SCHEME	£0	
CONTRIBUTION TO SCHEME COSTS FROM NON-RESIDENTIAL		£0

GROSS DEVELOPMENT VALUE OF SCHEME		£9,435,000
TOTAL BUILD COSTS	£5,903,904	
TOTAL CONTRIBUTION TO SCHEME COSTS		£3,531,096

External Works & Infrastructure Costs (£)		Per unit	% of GDV	per Hectare
£0	£0			
External Works & Infrastructure Costs (£)	£0			
Prelims	£0			
Services (Power, Water, Gas, Telco and IT)	£0			
NHBC	£0			
Public Open Space	£0			
Site Specific Sustainability Initiatives	£0			
Plot specific external works	£0			
Other 1	£0			
Other 2	£0			
	£0			

Other site costs

Fees and certification	10.0%	£562,277	25,558	6.0%
Other Acquisition Costs (£)		£0		

Site Abnormals (£)

De-canting tenants	£0
Decontamination	£0
Other	£0
Other 2	£0
Other 3	£0
Other 4	£0
Other 5	£0
	£0

Total Site Costs inc Fees	£562,277	25,558
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Statutory 106 Costs (£)

Education	£0	
Sport & Recreation	£0	
Social Infrastructure	£0	
Public Realm	£0	
Affordable Housing	£0	
Transport	£0	
Highway	£0	
Health	£0	
Public Art	£0	
Flood work	£0	
Community Infrastructure Levy	£0	
Other Tariff	£0	
S106	£113,923	5,178
0	£0	
Construction Training	£0	
Other 4	£0	

Statutory 106 costs	£113,923	5,178
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Marketing (Open Market Housing ONLY)

Sales/letting Fees	3.0%	£283,050	12,866	per OM unit
Legal Fees (per Open Market unit):	£1,000	£22,000	1,000	

Marketing (Affordable Housing)

			per affordable unit
Developer cost of sale to RP (£)		£0	
RP purchase costs (£)		£0	
Intermediate Housing Sales and Marketing (£)		£0	

Total Marketing Costs	£305,050
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Total Direct Costs	£6,885,154
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Finance and acquisition costs

Land Payment	£415,800	18,900 per OM home	#DIV/0!	#DIV/0!
Arrangement Fee	£0	0.0% of interest		
Misc Fees (Surveyors etc)	£0	0.00% of scheme value		

Agents Fees	£4,158
Legal Fees	£3,119
Stamp Duty	£16,632
Total Interest Paid	£569,181

Total Finance and Acquisition Costs **£1,008,890**

Developer's return for risk and profit

Residential

Market Housing Return (inc OH) on Val	20.0%	£1,887,000	85,773 per OM unit
Affordable Housing Return on Cost	0.0%	£0	per affordable unit
Return on sale of Private Rent	0.0%	£0	#DIV/0! per PR unit

Non-residential

Office	£0
Retail	£0
Industrial	£0
Leisure	£0
Community-use	£0

Total Operating Profit **£1,887,000**
(i.e. profit after deducting sales and site specific finance costs but before deducting developer overheads and taxation)

TOTAL COST **£9,781,044**

Surplus/(Deficit) at completion 1/9/2025 **(£346,044)**

Present Value of Surplus (Deficit) at 1/3/2023 **(£288,808)**

Scheme Investment MIRR **16.1%** (before Developer's returns and interest to avoid double counting returns)

Site Value as a Percentage of Total Scheme Value	4.4%	Peak Cash Requirement	-£7,152,613
Site Value (PV) per hectare	No area input per hectare	No area input per acre	